

ANNUAL MARKET PERFORMANCE REVIEW 2024



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MALAWI STOCK EXCHANGE

INVESTING IN BONDS ON THE MALAWI STOCK EXCHANGE



What is a bond?

Bonds are essentially tradeable loans from an investor to a company, statutory corporation, or government.

Who is a bondholder?

An individual who lends money to a company, statutory corporation or government.

Who is a bond issuer?

An entity such as corporate, statutory corporation or government who borrows money from the bondholder for the purpose of raising funds.

Did you know?

You can invest as little as MK1,000.00 and earn interest ranging from 10-17.84% by investing on any of the listed bonds on the Malawi Stock Exchange.

Benefits of investing in Bonds

- ◆ Provides a predictable income stream in the form of cash interest payments which are based on the interest rate on the bond.
- ◆ Bonds are considered less risky, especially when considering government bonds, thus, offer a good starting point to investing for beginners.
- ◆ Bondholders get priority of payment in the event of liquidation or when the borrower goes bankrupt. They enjoy a measure of legal protection to get their money back.
- ◆ Bondholders can benefit from capital gains.

For more information, contact the Malawi Stock Exchange



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1. TRADING SUMMARY



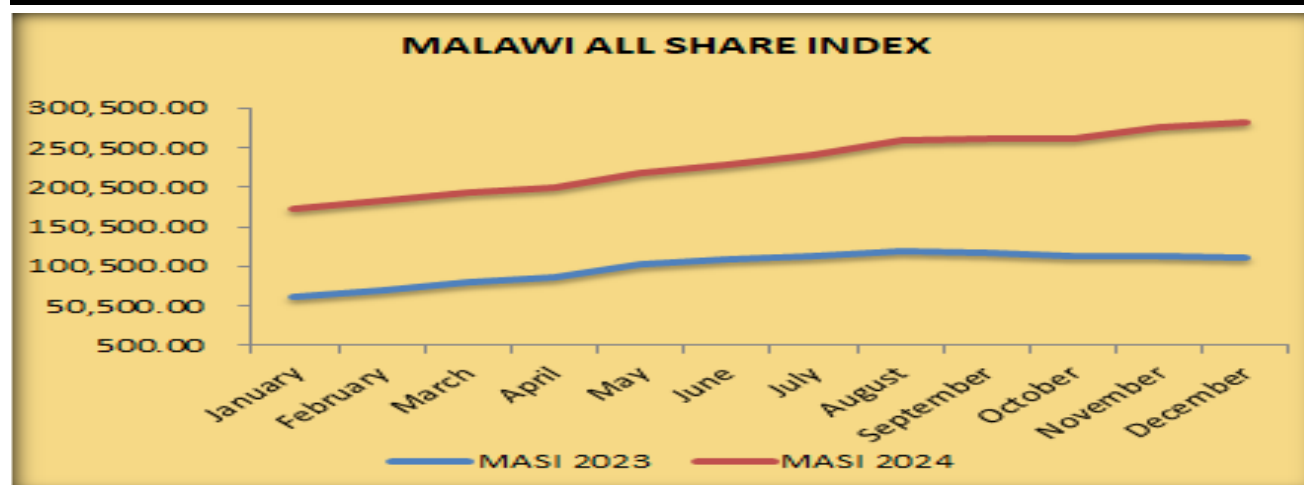
MALAWI STOCK EXCHANGE

The market registered an impressive performance in the year ended 31 December 2024 as it registered a positive return on index of 55.06% (50.53% in US\$ terms) above inflation of 27% in November 2024, compared to 78.85% (9.05% in US\$ terms) in 2023. The market also registered an increase in both total value traded and total volume of shares traded compared to the corresponding period 2023.

There were no trades on the 9 Development Bonds and 101 Treasury Notes listed on the Debt Market.

Year-To-Date Index Levels and Return

INDEX	JAN. 2024	DEC. 2024	% Δ 2024 (MK)	% Δ 2024 (US\$)	% Δ 2023 (MK)	% Δ 2023 (US\$)
MASI	110,951.21	172,039.93	55.06 ▲	50.53 ▲	78.85 ▲	9.05 ▲
DSI	86,359.68	131,362.56	52.11 ▲	47.67 ▲	69.99 ▲	3.65 ▲
FSI	15,792.06	27,738.47	75.65 ▲	70.52 ▲	181.28 ▲	71.50 ▲



	Year 2024	Year 2023	% Δ
Traded Value (MK)	124,665,180,662.46	77,207,908,713.89	61.47 ▲
Traded Value (US\$)	72,013,964.32	66,848,878.62	7.73 ▲
Traded Vol. Shares	1,249,740,199	612,184,956	104.14 ▲
No. of Transactions	14,471	10,736	34.79 ▲
Index Close (MASI)	172,039.93	110,951.21	55.06 ▲
Listed Debt Securities	110	80	
Traded Debt Securities	00	00	
Listed Companies	16	16	
Traded Companies	16	16	
Not Traded Companies	00	00	
Gainers	15	15	
Decliners	01	01	
Unchanged	00	00	

2. MARKET PERFORMANCE



MALAWI STOCK EXCHANGE

A. Trade Performance Analysis

In the year 2024, the market transacted a total of 1.25 billion shares at a total consideration of MK124.67 billion (US\$72.01 million) in 14,471 trades. In the corresponding period 2023, the market transacted a total of 612.18 million shares at a total consideration of MK77.21 billion (US\$66.85 million) in 10,736 trades. This reflects a **104.14%** increase in share volume traded and a **61.47%** (**7.73%** in US\$ terms) increase in share value traded. Of the shares traded, 10 million FDH, 19.62 million ICON, 4 million NBS and 397 thousand PCL shares traded as negotiated deals at a total consideration of MK3.04 billion.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 5.00 million shares compared to 2.47 million shares traded in the corresponding period 2023 reflecting an increase of **102.51%**.

The average daily turnover for the year 2024 was MK498.66 million (US\$288.06 thousand) compared with MK311.32 million (US\$269.55 thousand) for the corresponding period 2023, reflecting an increase of **60.18%** (**6.86%** in US Dollar terms).

B. Market Capitalization and Index

The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 110,951.21 points registered on 2 January 2024 to 172,039.93 points registered on 31 December 2024, giving a return on index of **55.06%**, (**50.53%** in US\$ terms) compared to **78.85%**, (**9.05%** in US\$ terms) registered in 2023. The price gains registered by fifteen counters, NICO(178.60%), FDHB(111.76%), FMBCH(76.19%), NBM(64.77%), STANDARD(64.15%), NBS (51.50%), AIRTEL(50.00%), TNM(33.64%), OMU(30.00%), SUNBIRD(25.65%), MPICO (23.53%), BHL(11.92%), ILLOVO(7.54%), NITL(7.32%), and ICON(1.12%) were enough to offset a share price loss by PCL(-0.29%) resulting into an upward movement of the Malawi All Share Index. The Domestic and Foreign Share indices inched upwards by 52.11% and 75.65% from 86,359.68 to 131,362.56 and from 15,792.06 to 27,738.47 points respectively.

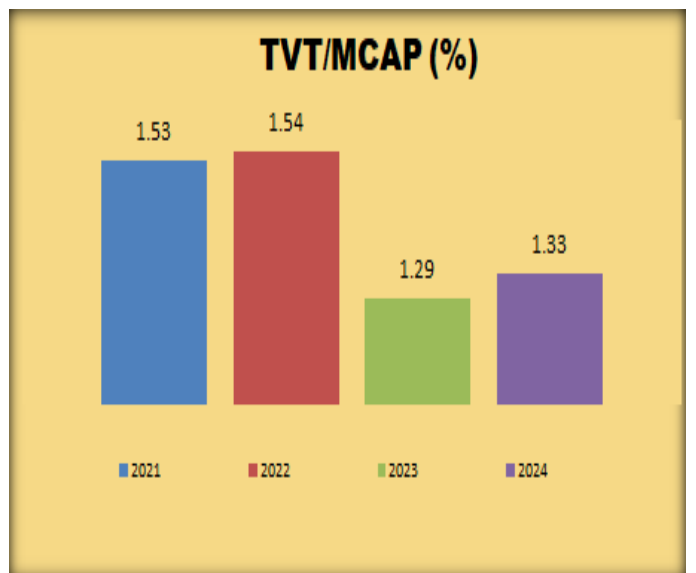
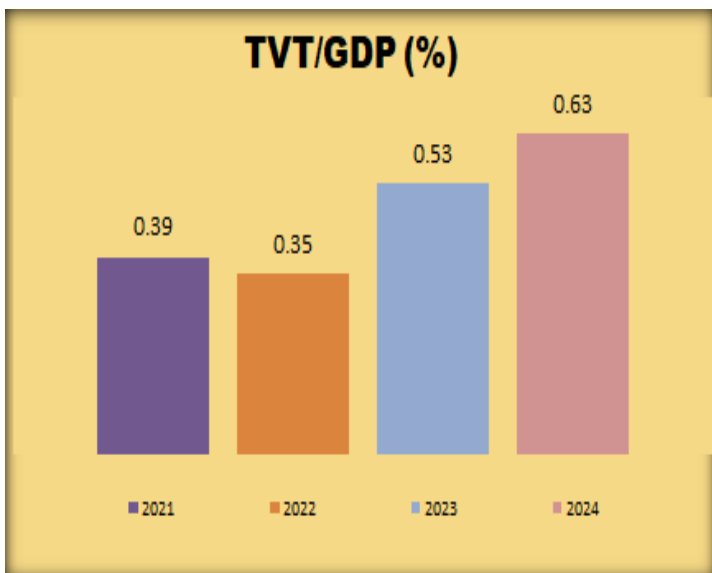
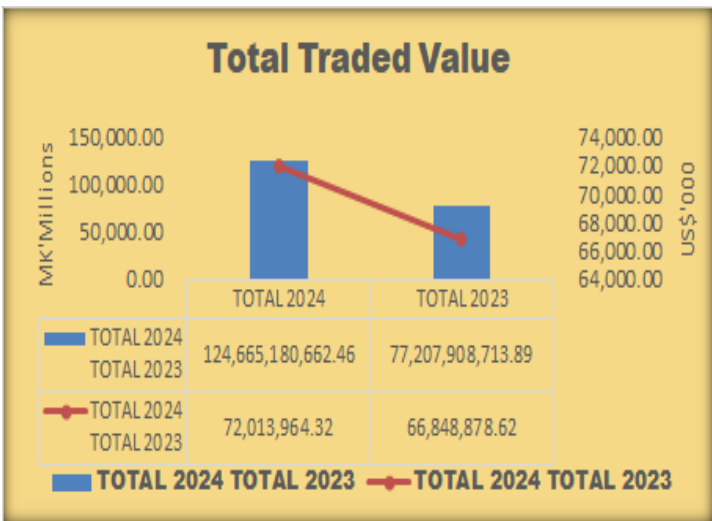
Market capitalization increased in both Kwacha and United States Dollar terms from MK5.99 trillion (US\$3.56 billion) on 02 January 2024 to MK9.38 trillion (US\$5.41 billion) on 31 December 2024. The huge increase in market capitalization is as a result of share price increases and the listing of rights issue shares by BHL on 30 December 2024.

C. Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***), an indicator of the liquidity of assets traded on the market, in 2024 was recorded at 1.33%, higher than 1.29% registered in 2023. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.63% in the review period while during the corresponding period of 2023 liquidity was at 0.53%. Market capitalization as a percentage of GDP was at 47.21% in 2024 and 41.14% in 2023.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

Top 5 gainers

Fifteen counters registered capital gains in the period under review.

MSE CODE	ISIN	COUNTER NAME	% GAIN
NICO	MWNICO010014	NICO Holdings plc	178.60 ▲
FDHB	MWFDHB001166	FDH Bank plc	111.76 ▲
FMBCH	MWFMB0010138	FMB Capital Holdings plc	76.19 ▲
NBM	MWNBM0010074	National Bank of Malawi plc	64.77 ▲
STANDARD	MWSTD0010041	Standard Bank Malawi plc	64.15 ▲

Top 5 Losers

One counter registered a capital loss in the period under review.

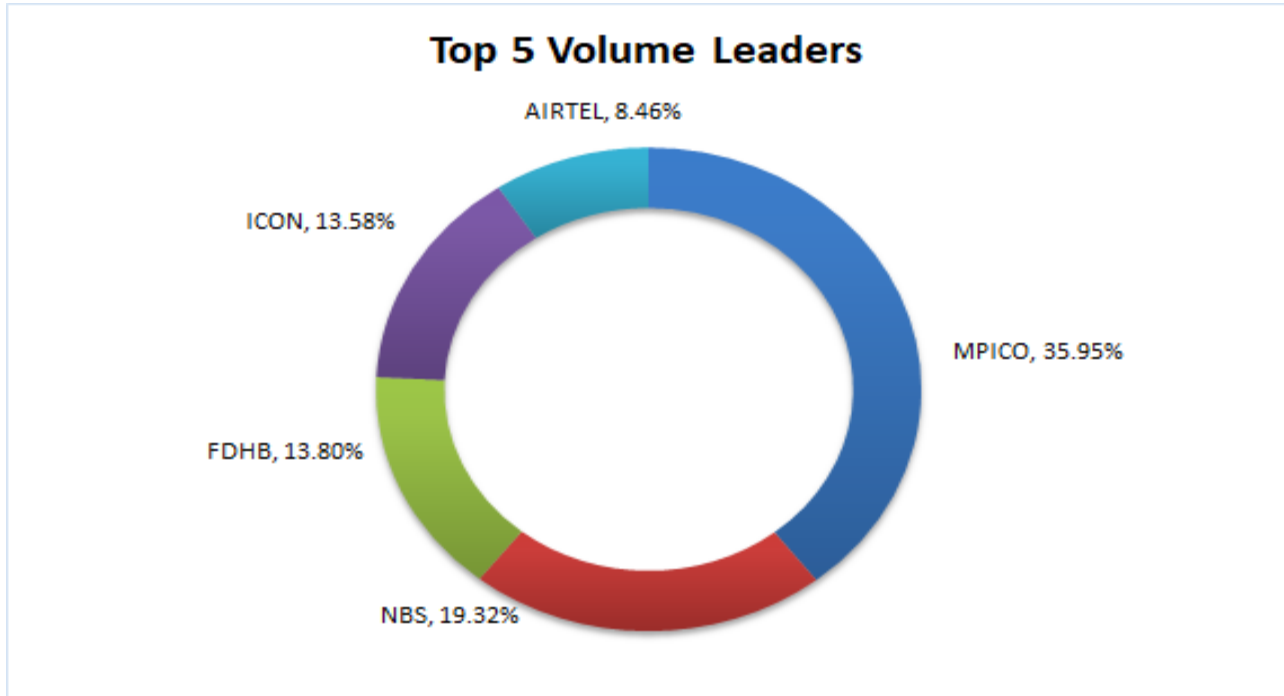
MSE CODE	ISIN	COUNTER NAME	% LOSS
PCL	MWPCL0010053	Press Corporation plc	-0.29

3. COMPANY TRADING PERFORMANCE

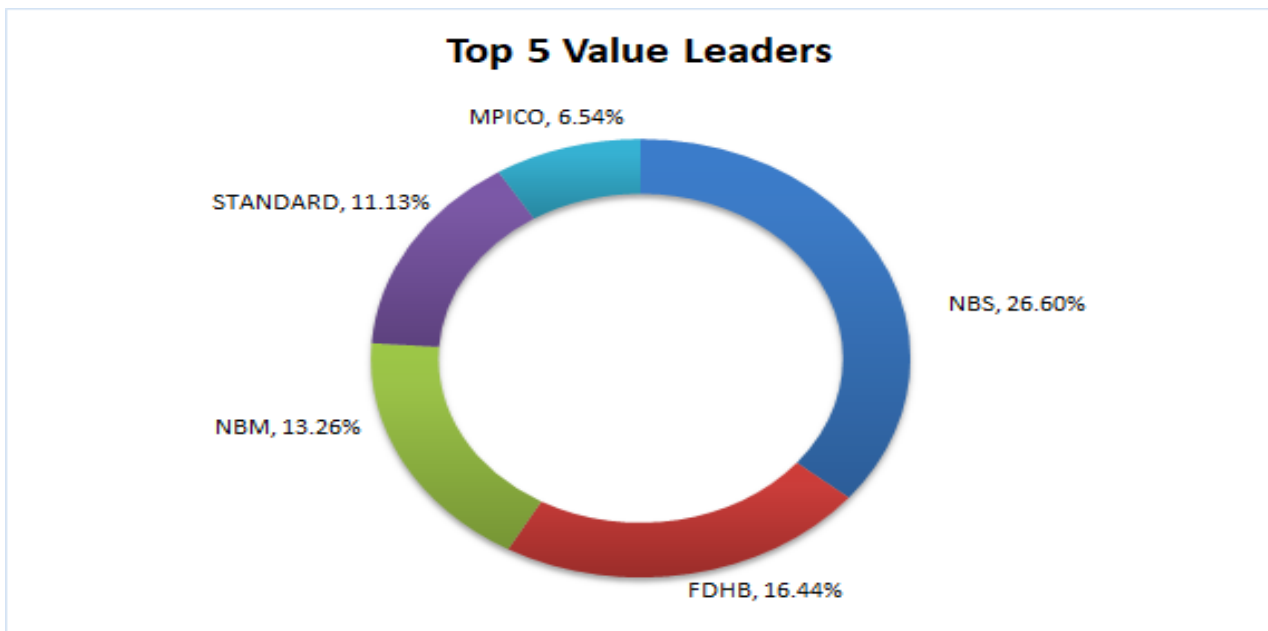


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Top 5 Volume Leaders



Top 5 Value Leaders



3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

In the secondary market, 1.25 billion shares were transacted at a total consideration of MK124.67 billion (US\$72.01 million) in 14,471 deals. On 30 December 2024, Blantyre Hotels plc successfully listed 5.04 billion shares through a rights issue, raising approximately MK62.38 billion (US\$35.97 million).

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	60.00	100.00	41.00	90.00	50.00%	105,741,380	7,190,745,056.48	1,411	990,000,000,000.00
BHL	13.00	14.55	13.00	14.55	11.92%	1,576,914	21,573,341.05	48	85,528,609,304.25
FDHB	70.00	150.02	64.99	148.23	111.76%	172,411,671	20,488,931,131.39	3,541	1,022,939,862,187.50
FMBCH	315.00	555.01	315.02	555.00	76.19%	19,338,320	8,084,524,517.23	810	1,364,328,750,000.00
ICON	17.85	18.11	14.82	18.05	1.12%	169,722,410	2,830,541,428.86	230	120,574,000,000.00
ILLOVO	1,260.03	1,355.16	1,260.04	1,355.08	7.54%	1,760,981	2,355,326,334.83	664	966,774,225,356.28
MPICO	15.00	18.53	14.66	18.53	23.53%	449,309,246	8,156,382,194.15	269	42,582,819,433.80
NBM	2,101.25	3,726.01	2,101.26	3,462.17	64.77%	6,293,777	16,530,790,721.43	1,537	1,616,597,055,351.46
NBS	114.90	200.00	89.98	174.07	51.50%	241,453,110	33,163,728,911.41	2,294	506,643,504,078.92
NICO	150.40	419.03	150.40	419.02	178.60%	27,669,407	5,576,200,100.95	1,106	437,055,080,045.92
NITL	409.99	440.01	409.00	440.00	7.32%	3,329,210	1,369,016,067.37	503	59,400,000,000.00
OMU	1,500.00	1,950.02	1,500.00	1,950.01	30.00%	447,923	701,478,707.10	123	27,955,988,813.31
PCL	2,506.99	2,507.00	2,499.78	2,499.79	-0.29%	1,411,250	3,412,599,507.62	187	300,614,296,277.80
STANDARD	3,950.00	6,900.00	3,950.01	6,483.95	64.15%	2,472,951	13,880,802,090.53	555	1,521,576,628,999.90
SUNBIRD	191.07	240.08	191.07	240.08	25.65%	263,078	56,894,620.63	113	62,800,745,806.40
TNM	18.70	26.50	12.00	24.99	33.64%	46,538,571	845,645,931.43	1,080	250,910,845,500.00
Total						1,249,740,199	124,665,180,662.46	14,471	9,376,282,411,155.54

4. DEBT SECURITIES TRADING PERFORMANCE



In the primary market, 44 Government securities comprising 5 Development Bonds and 39 Treasury notes with a total nominal value of MK3.18 trillion were listed through an introduction on 02 December 2024.

There were 9 Development Bonds and 101 Treasury Notes issued by Malawi Government with a total nominal value of MK6.09 trillion as at 31 December 2024

DEBT SECURITY TYPE	TOTAL LISTED	COUPON RATE RANGE (%)	TOTAL NOMINAL VALUE (MK'BILLION)
Development Bonds	9	13.50-16.00	146.09
Treasury Notes	101	10.00-16.00	5,941.70

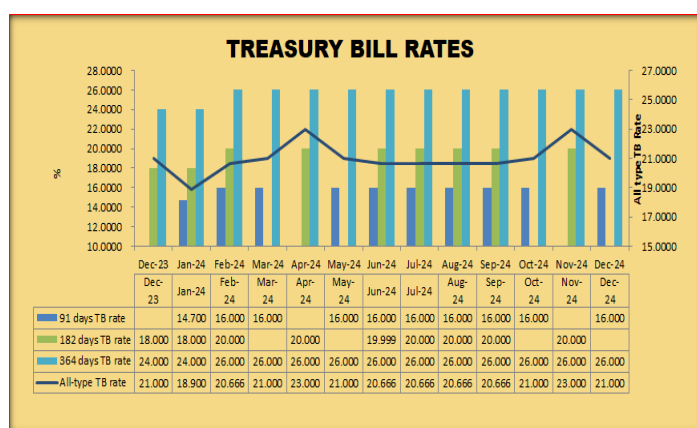
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

Interest Rates

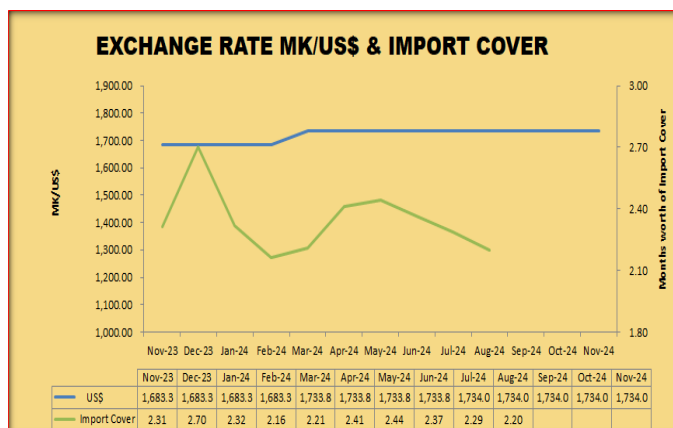
During the period under review, the yields on the 91 days Tbill and the 364 days Tbill inched upwards by 1.3000% from 14.7000% to 16.0000% and by 2.0000% from 24.0000% to 26.0000% respectively. There were no applications for the 182 days Tbill during the auction held on 31 December 2024.



Exchange Rates

The Kwacha depreciated against the United States Dollar by 2.92% in 2024. The total foreign exchange reserves position was at 2.20 months worth of import cover as at 31 August, 2024.

*The import cover in months have been restated and comprises of an aggregate of foreign exchange reserves under the direct control of the Central Bank, Authorized Dealer Banks and Foreign Currency Denominated Account Holders.

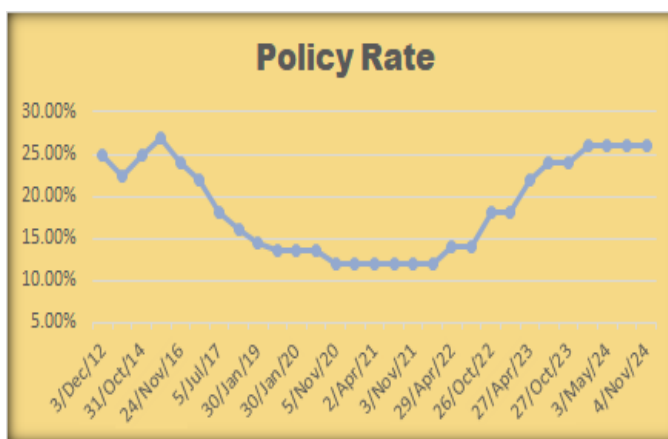
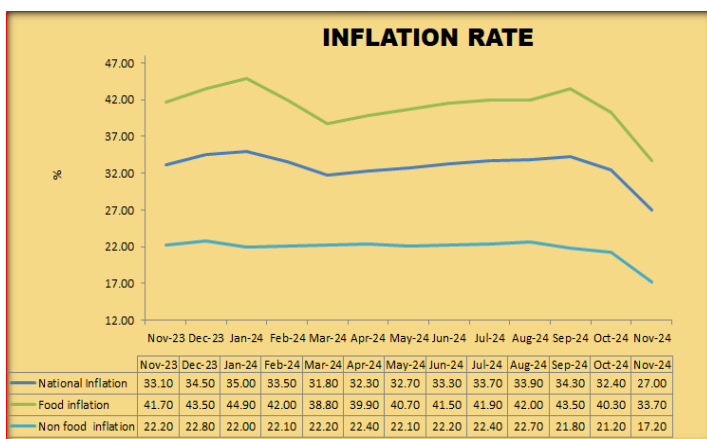


Inflation Rates

Headline inflation eased by 7.50 basis points from 34.50% on 1 January 2024 to 27.00% in November 2024.

Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 04 November, 2024 maintained the policy rate at 26%.



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