

MONTHLY MARKET REPORT

JANUARY 2020

Old Reserve Bank Building, Victoria Avenue

P/Bag 270
Blantyre
Malawi

Telephone: (265) 01 824 233; Fax: (265) 01 823 636

E-mail: info@mse-mw.com
Website: www.mse.co.mw

Malawi's global portal

CONTENTS

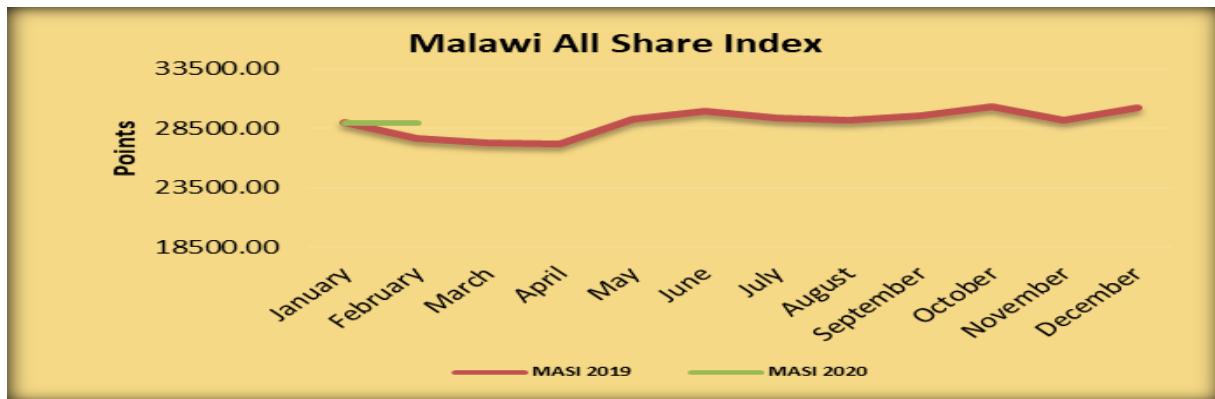
<i>Trading Summary</i>	1
<i>Market performance</i>	2
<i>Trade performance analysis</i>	2
<i>Market capitalization and index</i>	2
<i>Market liquidity</i>	2
<i>Company trading performance</i>	3
<i>Bond Trading Summary</i>	4
<i>Economic review</i>	5

1. TRADING SUMMARY

The market was bearish in the month of January as it registered a month-on-month return on index of **-4.22%** (-4.22% in US\$ terms), **0.58%** on a year-on-year basis. It also registered a decrease in both total volume of shares and total value traded. There were no trades on the listed debt securities.

Index Levels and Return – January 2020

INDEX	JANAUARY 2020	DECEMBER 2019	% Monthly Δ 2020	% Monthly Δ 2019	% Δ YTD. 2020
MASI	28976.30	30252.20	-4.22	-0.60	-4.22
DSI	22903.36	23599.75	-2.95	-0.75	-2.95
FSI	3529.41	4024.86	-12.31	0.00	-12.31



Trading Statistics – January 2020

	January 2020	December 2019	Monthly % Δ	January 2019	Y-O-Y %Δ
Traded Value (MK)	610,173,294.20	859,930,072.38	-29.04	2,357,679,802.50	-74.12
Traded Value (US\$)	828,301.20	1,167,342.32	-29.04	3,232,535.16	-74.38
Traded Vol. Shares	19,417,258	28,867,524	-32.74	46,773,797	-58.49
No. of Transactions	214	162	32.10 ▲	221	-3.17
Index Close (MASI)	28976.30	30252.20	-4.22	28808.89	0.58 ▲
Listed Debt Securities	13	14		09	
Traded Debt Securities	00	00		00	
Listed companies	14	14		14	
Traded Companies	14	12		14	
Not Traded Companies	00	02		00	
Gainers	03	05		01	
Decliners	05	01		04	
Unchanged	06	06		09	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 19,417,258 shares at a total consideration of MK610,173,294.20 (US\$828,301.20) in 214 trades. In the previous month, December 2019, the market transacted a total of 28,867,524 shares at a total consideration of MK859,930,072.38 (US\$1,167,342.32) in 162 trades. This reflects a **-32.74%** decrease in terms of share volume traded and a **-29.04%** (-29.04% in US Dollar terms) decrease in share value traded.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 924,631 shares compared to 1,374,644 shares traded in December 2019, reflecting a decreased of **-32.74%**.

The average daily turnover for January 2020 was MK29,055,871.15 (US\$39,442.91) compared to MK40,949,051.07 (US\$55,587.73) in December 2019, reflecting a decrease of **-29.04%** (-29.04% in US Dollar terms).

B. Market Capitalization and Index

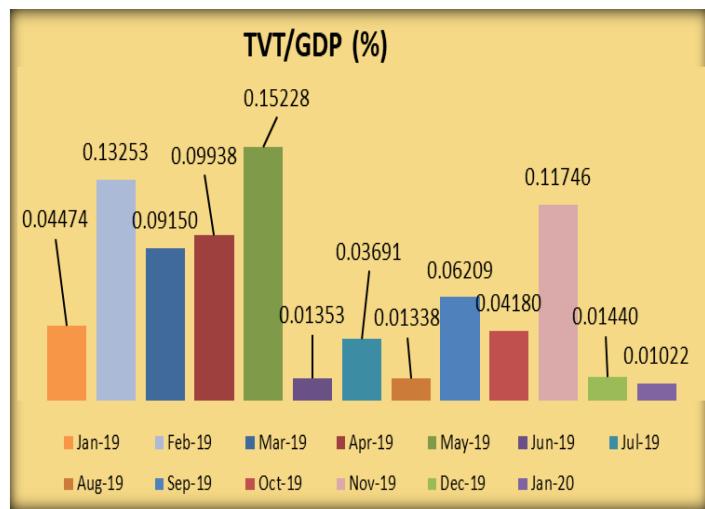
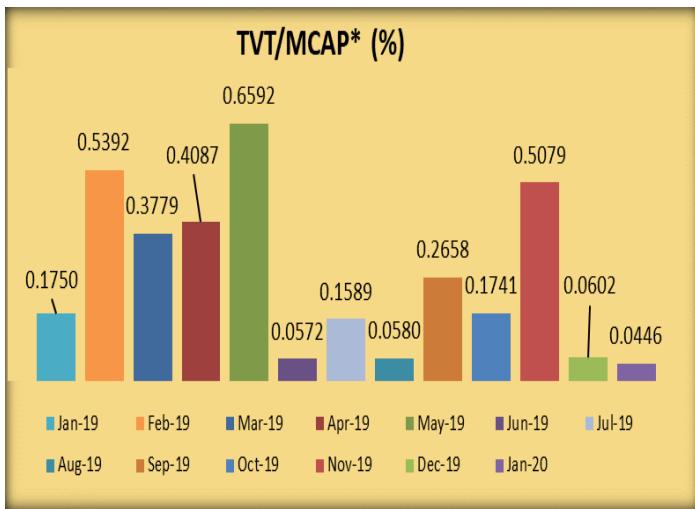
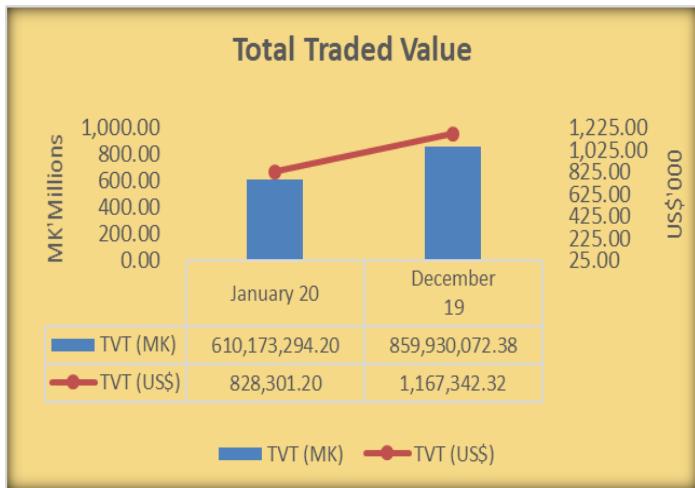
The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 30252.20 points registered in December 2019 to 28976.30 points registered in January 2020, giving a month-on-month return on index of **-4.22%** (-4.22% in US\$ terms). The price gains registered by NBS(17.93%), MPICO(12.65%) and NICO(0.02%) were not enough to offset share price losses registered by TNM(-15.00%), FMBCH(-13.33%), ILLOVO(-8.50%), ICON(-0.10%) and BHL(-0.08%) resulting into a downward movement of the Malawi All Share Index. The Domestic and Foreign Share Indices closed at 22903.36 and 3529.41 points respectively.

Market capitalization decreased in both Malawi Kwacha and United States Dollar terms from MK1,428,752.94 million (US\$1,939.51 million) in December 2019 to MK1,368,393.31 million (US\$1,857.57 million) in January 2020.

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 January 2020 was recorded at 0.04%, lower than 0.06% registered in December 2019. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.01% in January 2020 while during the previous month, December 2020, liquidity was at 0.014%. Market capitalization as a percentage of GDP was at 22.92% in January 2020 and 23.93% in December 2019.

2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Three counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
NBS	MWNBS0010101	NBS Bank plc	17.93 ▲
MPICO	MWMPI0010116	MPICO plc	12.65 ▲
NICO	MWNICO010014	NICO Holdings plc	0.02 ▲

B. Top Losers: Five counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
TNM	MWTNM0010126	Telekom Networks Malawi plc	-15.00
FMBCH	MWFMB00101138	FMB Capital Holdings plc	-13.33
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	-8.50
ICON	MWICON001146	ICON Properties plc	-0.10
BHL	MWBHL0010029	Blantyre Hotels plc	-0.08

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
ICON	MWICON001146	ICON Properties plc	8,379,451	43.15
MPICO	MWMPI0010116	MPICO plc	5,212,486	26.84
TNM	MWTNM0010126	Telekom Networks Malawi plc	2,442,729	12.58
NBS	MWNBS0010101	NBS Bank plc	1,568,181	8.08
SUNBIRD	MWSTL0010085	Sunbird Tourism plc	1,012,000	5.12

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
NBM	MWNBM0010074	National Bank of Malawi plc	143,744,001.55	23.56
SUNBIRD	MWSTL0010085	Sunbird Tourism plc	119,416,000.00	19.57
MPICO	MWMPI0010116	MPICO plc	101,969,807.88	16.71
ICON	MWICON001146	ICON Properties plc	87,904,503.50	14.41
TNM	MWTNM0010126	Telekom Networks Malawi plc	54,222,741.70	8.89

3. COMPANY TRADING PERFORMANCE

Symbol	Open	High	Low	Close	% Δ	Volume	Value	Trades Count	Market Capitalization
BHL	12.95	12.95	12.94	12.94	-0.08%	95,860	1,240,428.40	4	10,866,374,122.70
FMBCH	75.00	75.00	65.00	65.00	-13.33%	3,000	195,000.00	2	159,786,250,000.00
ICON	10.50	10.50	10.49	10.49	-0.10%	8,379,451	87,904,503.50	22	70,073,200,000.00
ILLOVO	153.00	153.00	140.00	140.00	-8.50%	1,558	230,193.00	6	99,882,214,740.00
MPICO	19.53	22.00	19.50	22.00	12.65%	5,212,486	101,969,807.88	27	50,557,044,120.00
NBM	525.00	525.01	525.00	525.00	0.00%	273,798	143,744,001.55	23	245,139,162,450.00
NBS	13.50	16.00	13.50	15.92	17.93%	1,568,181	22,777,660.67	46	46,336,327,827.52
NICO	48.49	48.50	48.50	48.50	0.02%	322,920	15,661,620.50	18	50,587,493,156.00
NITL	80.00	80.00	80.00	80.00	0.00%	53,470	4,277,600.00	8	10,800,000,000.00
OMU	2,499.99	2,499.99	2,499.99	2,499.99	0.00%	300	749,997.00	1	31,938,652,244.88
PCL	1,400.00	1,400.00	1,400.00	1,400.00	0.00%	30,127	42,177,800.00	6	168,358,148,000.00
STANDARD	730.00	730.00	730.00	730.00	0.00%	21,378	15,605,940.00	7	171,307,758,260.00
SUNBIRD	118.00	118.00	118.00	118.00	0.00%	1,012,000	119,416,000.00	4	30,866,744,440.00
TNM	26.00	26.00	22.09	22.10	-15.00%	2,442,729	54,222,741.70	40	221,893,945,000.00
Total						19,417,258	610,173,294.20	214	1,368,393,314,361.10

4. BOND TRADING SUMMARY

There were no trades on the listed debt securities.

Symbol	Open	High	Low	Close	Volume	Value	Trades Count	Nominal Value
NFBN01210621	100.0000	100.0000	100.0000	100.0000	0	0.00	0	1,000,000,000.00
NFBN02280621	100.0000	100.0000	100.0000	100.0000	0	0.00	0	3,000,000,000.00
NFBN03020721	100.0000	100.0000	100.0000	100.0000	0	0.00	0	50,000,000.00
NFBN04230522	100.0000	100.0000	100.0000	100.0000	0	0.00	0	6,000,000,000.00
NFBN05310321	100.0000	100.0000	100.0000	100.0000	0	0.00	0	2,350,767,576.00
TN02YR040920	100.0000	100.0000	100.0000	100.0000	0	0.00	0	64,659,680,000.00
TN02YR250120	100.0000	100.0000	100.0000	100.0000	0	0.00	0	5,000,000,000.00
TN02YR310121	100.0000	100.0000	100.0000	100.0000	0	0.00	0	23,791,253,000.00
TN03YR111021	100.0000	100.0000	100.0000	100.0000	0	0.00	0	13,776,000,000.00
TN03YR220221	100.0000	100.0000	100.0000	100.0000	0	0.00	0	3,000,000,000.00
TN03YR270622	100.0000	100.0000	100.0000	100.0000	0	0.00	0	37,867,549,000.00
TN03YR270821	100.0000	100.0000	100.0000	100.0000	0	0.00	0	22,570,008,000.00
TN05YR221123	100.0000	100.0000	100.0000	100.0000	0	0.00	0	39,105,000,000.00
TN07YR271225	100.0000	100.0000	100.0000	100.0000	0	0.00	0	48,087,041,000.00
Total					0	0.00	0	270,257,298,576.00

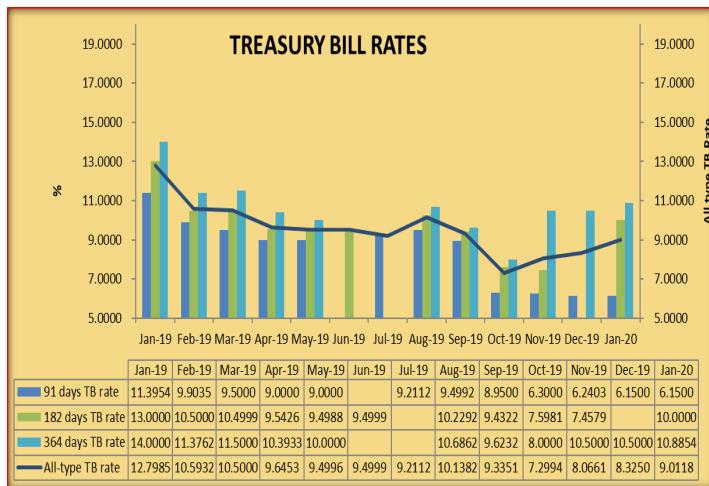
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

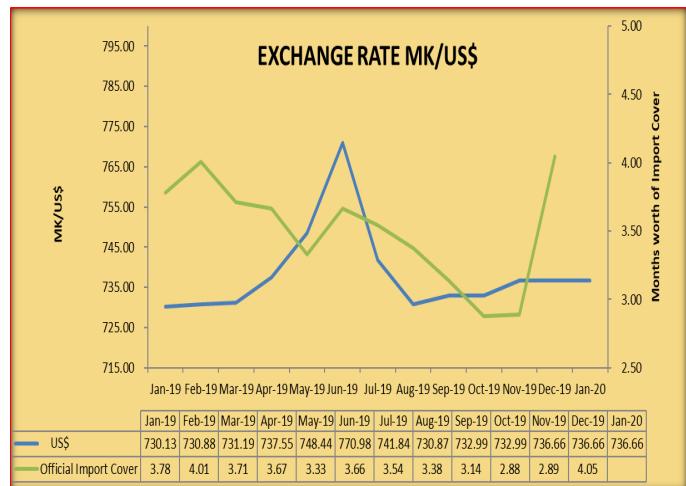
Interest Rates

During the period under review, the yields on the 91 days T-bill and the 182 days T-bill were at 6.15000% and 10.0000% whilst the 364 days T-bill inched upwards by 0.3854% from 10.5000% to 10.8854%.



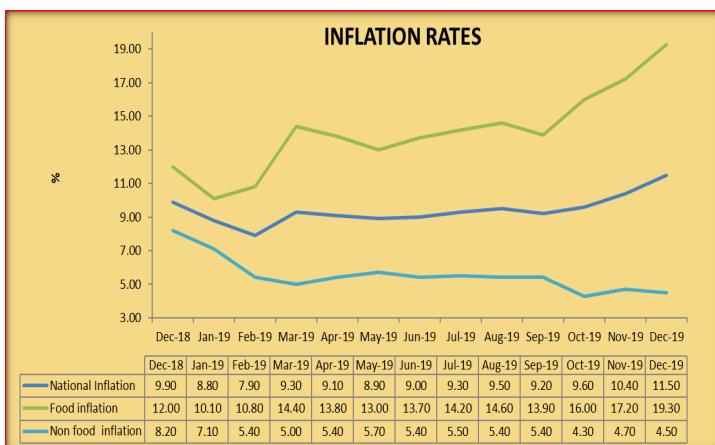
Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. Gross official reserves were at 4.05 months worth of import cover on 31 December 2019.



Inflation Rates

Headline inflation inched upwards by 1.1 percentage points from 10.40% in November, 2019 to 11.50% in December, 2019.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 29 and 30 January 2020 maintained the policy rate at 13.5%.



CONTACTS AND ADDRESSES OF MSE STOCK BROKERS

Stockbrokers Malawi Limited
NBM Business Complex
P.O Box 31180
Blantyre
Tel: +265 1 836 213
Fax: +265 1 824 353
Email: sml@smlmw.com

Continental Capital Limited
1st Floor, Ulimi House
P.O Box 1444
Blantyre
Tel: +265 1 830 638
Email: capital@continental.mw
capital@cdh-malawi.com

Cedar Capital Ltd (Formerly African Alliance Securities)
4th Floor, Livingstone Towers
P.O Box 3340
Blantyre
Tel: +265 1 831 995
Fax: +265 1 831 859
Email: kamphonia@cedarcapital.mw

Alliance Stockbrokers Limited
Old Air Malawi Building
P.O Box 510
Blantyre
Tel: +265 1 830 704
Email: asl@aclmw.com