

MONTHLY MARKET REPORT

APRIL 2022

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

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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.



MALAWI STOCK EXCHANGE

For more information, contact the Malawi Stock Exchange
 Email: info@mse-mw.com Tel: 01 824 233 <https://www.mse.co.mw>



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MALAWI STOCK EXCHANGE

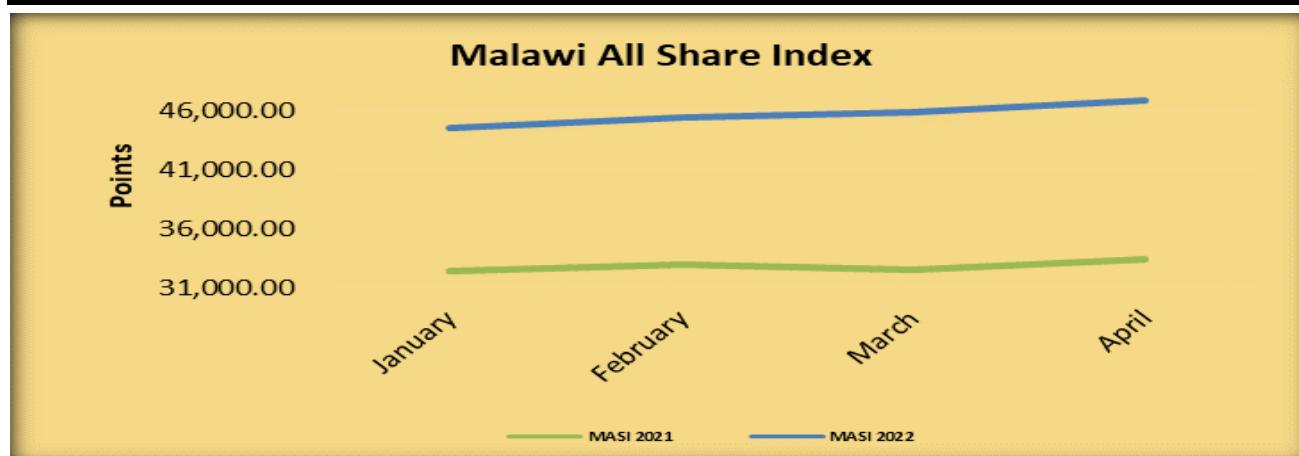
1. TRADING SUMMARY

The market registered a positive month-on-month return on index of **2.21%**(**2.18%** in US\$ terms), **3.45%** YTD. It also registered an increase in both total traded value and total traded volume of shares.

The market registered a first trade on debt security T05NT issued by Malawi Government on the Debt Securities Board.

Index Levels and Return – April 2022

INDEX	April 2022	March 2022	% Monthly Δ 2022	% Monthly Δ 2021	% Δ YTD. 2022
MASI	46934.16	45921.23	2.21 ▲	2.51 ▲	3.45 ▲
DSI	37283.40	37584.34	-0.80	1.97 ▲	0.60 ▲
FSI	5720.11	4184.71	36.69 ▲	14.27 ▲	36.65 ▲



	April 2022	March 2022	Monthly % Δ	April 2021	Y-O-Y %Δ
Traded Value (MK)	7,254,524,688.88	1,794,403,820.60	304.29 ▲	407,594,341.60	1679.84 ▲
Traded Value (US\$)	8,883,388.30	2,197,946.33	304.17 ▲	515,727.21	1622.50 ▲
Traded Vol. Shares	56,715,631	49,167,195	15.35 ▲	13,843,737	309.68 ▲
No. of Transactions	312	306	1.96 ▲	232	34.48 ▲
Index Close (MASI)	46934.16	45921.23	2.21 ▲	33380.63	40.60 ▲
Listed Debt Securities	46	46		25	
Traded Debt Securities	01	00		02	
Listed companies	16	16		16	
Traded Companies	15	15		16	
Not Traded Companies	01	01		00	
Gainers	05	05		04	
Decliners	05	03		05	
Unchanged	05	07		07	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 56,715,631 shares at a total consideration of MK7,254,524,688.88 (US\$8,883,388.30) in 312 trades in the month of April 2022. In the previous month of March 2022, the market transacted a total of 49,167,195 shares at a total consideration of MK1,794,403,820.60 (US\$2,197,946.33) in 306 trades. This reflects a **15.35%** increase in terms of share volume traded and a **304.29%** (**304.17%** in US Dollar terms) increase in share value traded. Of the total shares traded 17,828,130 TNM shares traded as a negotiated deal.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 2,985,033 shares compared to 2,341,295 shares traded in March 2022, reflecting an increase of **27.49%**.

The average daily turnover for April 2022 was MK381,817,088.89 (US\$467,546.75) compared to MK85,447,800.98 (US\$104,664.11) in March 2022, reflecting an increase of **346.84%** (**346.71%** 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 45921.23 points registered in March 2022 to 46934.16 points registered in April 2022, giving a month-on-month return on index of **2.21%** (**2.18%** in US\$ terms). The price gains registered by FMBCH (38.73%), NITL(15.80%), NBM(0.06%), AIRTEL(0.05%) and ILLOVO(0.03%) were enough to offset share price losses registered by TNM(8.05%), ICON(5.44%), FDHB (1.74%), PCL(0.05%) and NBS(0.04%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share Index fell by 0.80% to 37283.40 whilst the Foreign Share Index inched upwards by 36.69% to 5720.11 points.

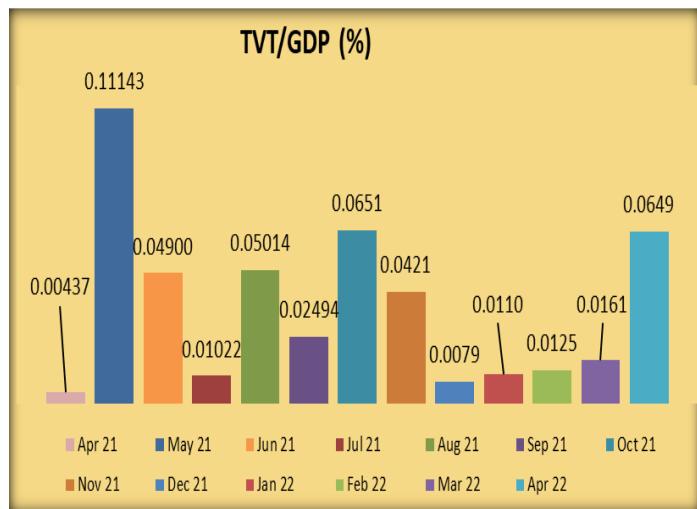
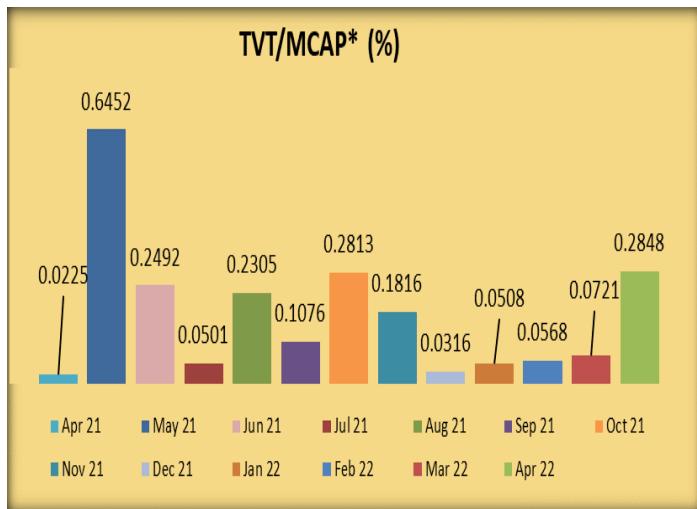
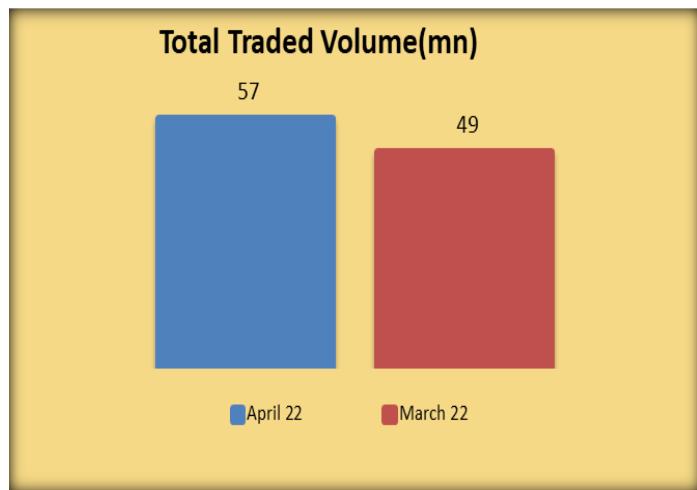
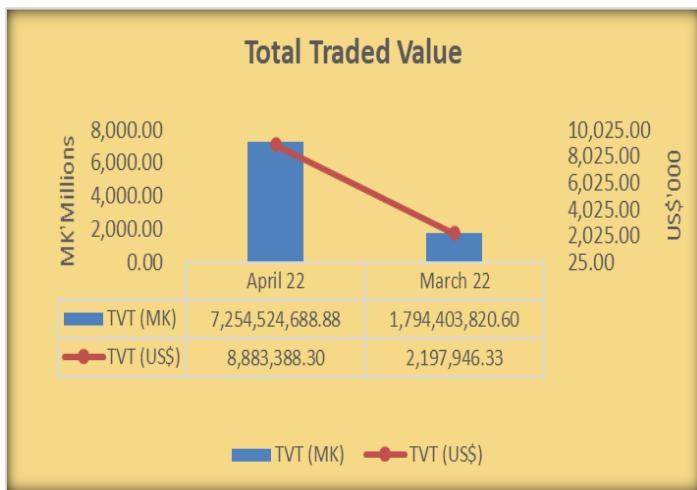
Market capitalization increased in both Malawi Kwacha and United States terms from MK2,489,118.03 million (US\$3,048.89 million) to MK2,547,176.32 million (US\$3,119.10 million).

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 April 2022 was recorded at 0.28%, higher than 0.07% registered in March 2022. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.06% in April 2022 while during the previous month, March 2022, liquidity was at 0.02%.

Market capitalization as a percentage of GDP was at 22.80% in April 2022 and 22.28% in March 2022.

2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Five counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
FMBCH	MWFMB0010138	FMB Capital Holdings plc	38.73 ▲
NITL	MWNITL010091	NITL plc	15.80 ▲
NBM	MWNBM0010074	National Bank of Malawi plc	0.06 ▲
AIRTEL	MWAIRT001156	Airtel Malawi plc	0.05 ▲
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	0.03 ▲

B. Top Losers: Five counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
TNM	MWTNM0010126	Telekom Networks Malawi plc	-8.05
ICON	MWICON001146	ICON Properties plc	-5.44
FDHB	MWFDHB001166	FDH Bank plc	-1.74
PCL	MWPCL0010053	Press Corporation plc	-0.05
NBS	MWNBS0010101	NBS Bank plc	-0.04

C. Top 5 Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
NITL	MWNITL010091	NITL plc	21,654,210	38.18
TNM	MWTNM0010126	Telekom Networks Malawi plc	18,868,615	33.27
AIRTEL	MWAIRT001156	Airtel Malawi plc	6,931,302	12.22
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	3,156,109	5.56
NBM	MWNBM0010074	National Bank of Malawi plc	2,971,251	5.24

D. Top 5 Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
NBM	MWNBM0010074	National Bank of Malawi plc	2,818,332,870.00	38.85
NITL	MWNITL010091	NITL plc	2,695,011,203.60	37.15
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	963,970,771.00	13.29
TNM	MWTNM0010126	Telekom Networks Malawi plc	315,717,119.15	4.35
AIRTEL	MWAIRT001156	Airtel Malawi plc	14,011,855.77	4.01

3. COMPANY TRADING PERFORMANCE

In the secondary market, 56,715,631 shares were transacted at a total consideration of MK7,254,524,688.88 (US\$8,883,388.30) in 312 deals with no listings in the primary market.

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	42.00	42.03	42.00	42.02	0.05%	6,931,302	291,133,030.20	51	462,220,000,000.00
BHL	11.01	11.01	11.01	11.01	0.00%	0	0.00	0	9,245,655,262.05
FDHB	15.56	16.21	15.29	15.29	-1.74%	166,278	2,609,122.15	13	105,516,767,812.50
FMBCH	80.01	111.01	80.01	111.00	38.73%	665,518	61,419,044.45	18	272,865,750,000.00
ICON	12.69	12.69	12.00	12.00	-5.44%	1,105,103	14,011,855.77	6	80,160,000,000.00
ILLOVO	305.42	305.50	305.42	305.50	0.03%	3,156,109	963,970,771.00	15	217,957,261,450.50
MPICO	20.70	20.70	20.70	20.70	0.00%	4,700	97,290.00	1	47,569,582,422.00
NBM	948.01	948.55	948.01	948.54	0.06%	2,971,251	2,818,332,870.00	77	442,903,430,762.52
NBS	22.79	22.80	22.78	22.78	-0.04%	1,024,003	23,337,200.20	27	66,302,861,049.68
NICO	55.00	55.00	55.00	55.00	0.00%	116,374	6,400,570.00	12	57,367,260,280.00
NITL	95.00	125.35	109.00	110.01	15.80%	21,654,210	2,695,011,203.60	35	14,851,350,000.00
OMU	1,785.00	1,785.00	1,785.00	1,785.00	0.00%	10,000	17,850,000.00	1	29,094,498,615.00
PCL	1,900.00	1,900.00	1,899.00	1,899.00	-0.05%	311	590,800.00	5	228,365,802,180.00
STANDARD	1,400.09	1,400.11	1,400.09	1,400.11	0.00%	30,743	43,043,329.00	14	328,561,240,297.82
SUNBIRD	90.02	90.03	90.02	90.02	0.00%	11,114	1,000,483.36	3	23,547,663,851.60
TNM	17.40	17.40	16.00	16.00	-8.05%	18,868,615	315,717,119.15	34	160,647,200,000.00
Total					56,715,631	7,254,524,688.88		312	2,547,176,323,983.67

4. BOND TRADING SUMMARY

In the period under review, there were 2 Corporate Medium Term Notes by MyBucks Banking Corporation and 44 Malawi Government Treasury Notes.

The Debt Market registered a first trade on one of the Treasury Notes (Trading symbol T05NT) issued by Malawi Government with a nominal value of MK1,000,000.00 at a price of MK84.3890 giving a total value traded of MK843,890.00.

Symbol	Open	High	Low	Close	Price △	Face Value '000'	Value Traded	Trades Count	Market Capitalization
DB820	72.3338	72.3338	72.3338	72.3338	0.00%	0	0.00	0	1,335,506,182,780.00
N0914	89.0915	89.0915	89.0915	89.0915	0.00%	0	0.00	0	1,271,228,795,200.00
NFB02	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	300,000,000,000.00
NFB04	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	600,000,000,000.00
T012	81.0399	81.0399	81.0399	81.0399	0.00%	0	0.00	0	10,209,502,877,401.20
T02AD	89.3564	89.3564	89.3564	89.3564	0.00%	0	0.00	0	2,157,653,248,240.00
T02XN	89.1022	89.1022	89.1022	89.1022	0.00%	0	0.00	0	1,536,166,479,100.00
T03TX	82.3607	82.3607	82.3607	82.3607	0.00%	0	0.00	0	1,874,194,323,351.00
T05NT	76.2976	84.3890	76.2976	84.3890	10.61%	1,000	843,890.00	1	1,656,051,423,780.00
T0731	72.1403	72.1403	72.1403	72.1403	0.00%	0	0.00	0	493,908,563,950.00
T103	77.4237	77.4237	77.4237	77.4237	0.00%	0	0.00	0	2,825,577,931,500.00
T10NX	68.4575	68.4575	68.4575	68.4575	0.00%	0	0.00	0	374,017,551,250.00
T10YR	71.7006	71.7006	71.7006	71.7006	0.00%	0	0.00	0	1,145,417,085,000.00
T3YRX	82.3667	82.3667	82.3667	82.3667	0.00%	0	0.00	0	2,236,971,671,623.00
TN001	84.2591	84.2591	84.2591	84.2591	0.00%	0	0.00	0	4,135,310,239,350.00
TN002	83.6180	83.6180	83.6180	83.6180	0.00%	0	0.00	0	9,391,504,077,694.00
TN002	89.3006	89.3006	89.3006	89.3006	0.00%	0	0.00	0	3,886,951,495,360.00
TN023	87.5514	87.5514	87.5514	87.5514	0.00%	0	0.00	0	2,879,670,607,680.00
TN022	89.2853	89.2853	89.2853	89.2853	0.00%	0	0.00	0	1,593,146,536,337.20
TN03	83.3589	83.3589	83.3589	83.3589	0.00%	0	0.00	0	1,220,282,601,210.00
TN03N	82.3849	82.3849	82.3849	82.3849	0.00%	0	0.00	0	1,282,881,185,820.00
TN05	86.2716	86.2716	86.2716	86.2716	0.00%	0	0.00	0	5,443,507,442,284.80
TN05Y	77.3103	77.3103	77.3103	77.3103	0.00%	0	0.00	0	7,180,837,945,471.20
TN06	93.2903	93.2903	93.2903	93.2903	0.00%	0	0.00	0	5,165,157,394,950.00
TN07	76.3317	76.3317	76.3317	76.3317	0.00%	0	0.00	0	6,027,128,132,490.00
TN100	95.7335	95.7335	95.7335	95.7335	0.00%	0	0.00	0	5,198,863,817,331.00
TN102	87.39849	87.39849	87.39849	87.39849	0.00%	0	0.00	0	1,655,120,379,648.60
TN2	82.9777	82.9777	82.9777	82.9777	0.00%	0	0.00	0	1,634,818,347,630.00
TN3	77.0438	77.0438	77.0438	77.0438	0.00%	0	0.00	0	2,099,712,432,862.00
TN5	70.6523	70.6523	70.6523	70.6523	0.00%	0	0.00	0	5,011,014,377,500.00
TN50	77.1437	77.1437	77.1437	77.1437	0.00%	0	0.00	0	1,019,145,420,700.00
TN7AF	73.8329	73.8329	73.8329	73.8329	0.00%	0	0.00	0	2,504,933,966,603.00
TN7YR	76.7700	76.7700	76.7700	76.7700	0.00%	0	0.00	0	1,246,721,769,000.00
TN888	73.0590	73.0590	73.0590	73.0590	0.00%	0	0.00	0	435,431,640,000.00
TN90	88.4233	88.4233	88.4233	88.4233	0.00%	0	0.00	0	1,713,539,747,488.00
TN92	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	4,808,704,100,000.00
TN96	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,910,500,000,000.00
TN99	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,786,754,900,000.00
TNX02	89.2899	89.2899	89.2899	89.2899	0.00%	0	0.00	0	5,770,961,780,005.80
TNX07	76.0578	76.0578	76.0578	76.0578	0.00%	0	0.00	0	1,555,382,010,000.00
TNX10	70.6384	70.6384	70.6384	70.6384	0.00%	0	0.00	0	832,544,182,400.00
TNX7	74.3855	74.3855	74.3855	74.3855	0.00%	0	0.00	0	2,908,487,927,100.00
TNY07	75.3418	75.3418	75.3418	75.3418	0.00%	0	0.00	0	2,257,271,896,214.20
TT05	76.9113	76.9113	76.9113	76.9113	0.00%	0	0.00	0	2,903,470,975,170.00
TX07Y	74.6008	74.6008	74.6008	74.6008	0.00%	0	0.00	0	971,377,016,800.00
TX10Z	70.6213	70.6213	70.6213	70.6213	0.00%	0	0.00	0	758,472,762,000.00
Total					1,000	843,890.00	1	129,211,923,061,475.00	

5. ECONOMIC REVIEW



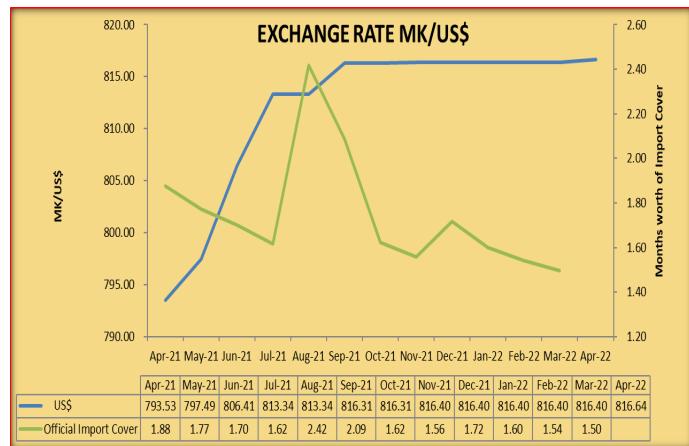
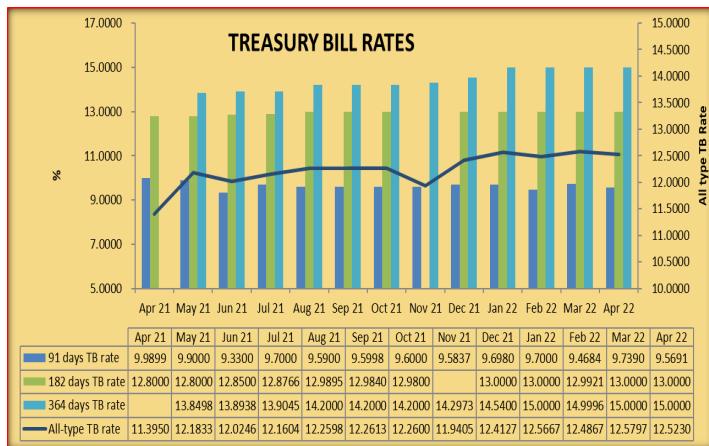
MALAWI STOCK EXCHANGE

Interest Rates

During the period under review, the 91 days Tbill, fell by 0.1699% from 9.7390% to 9.5691% whilst the 182 days Tbill and the 364 days Tbills were steady at 13.0000% and 15.0000% respectively.

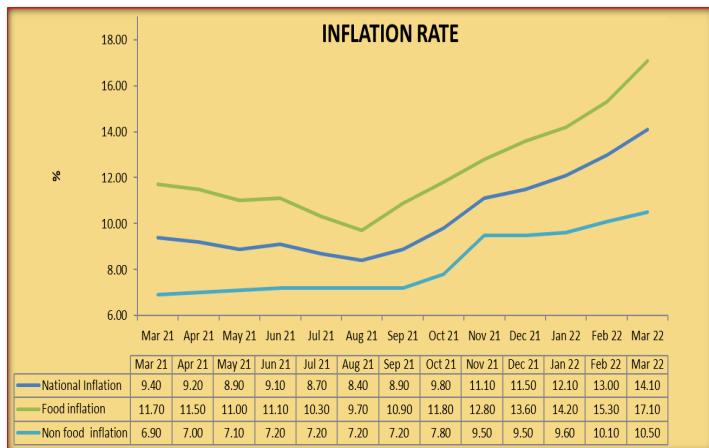
Exchange Rates

The Kwacha marginally depreciated against the United States Dollar by 0.03% in the period under review. Gross official reserves were at 1.50 months worth of import cover as at 31 March 2022.



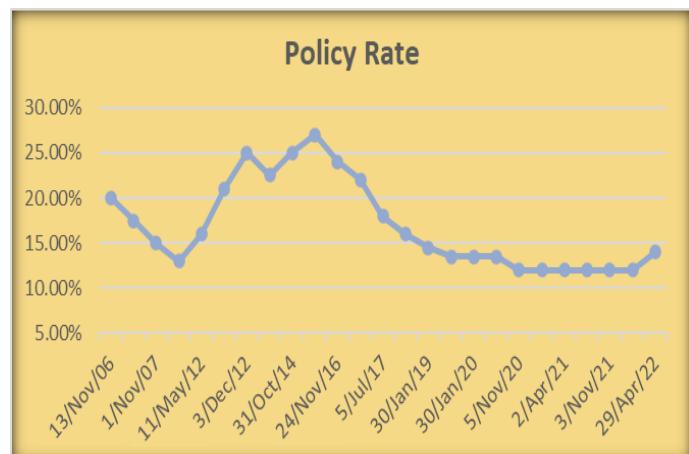
Inflation Rates

Headline inflation inched upwards by 1.1 percentage points from 13.00% in February, 2022 to 14.10% in March, 2022.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 29 April 2022 increased the policy rate by 200 basis points from 12% to 14%.



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
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