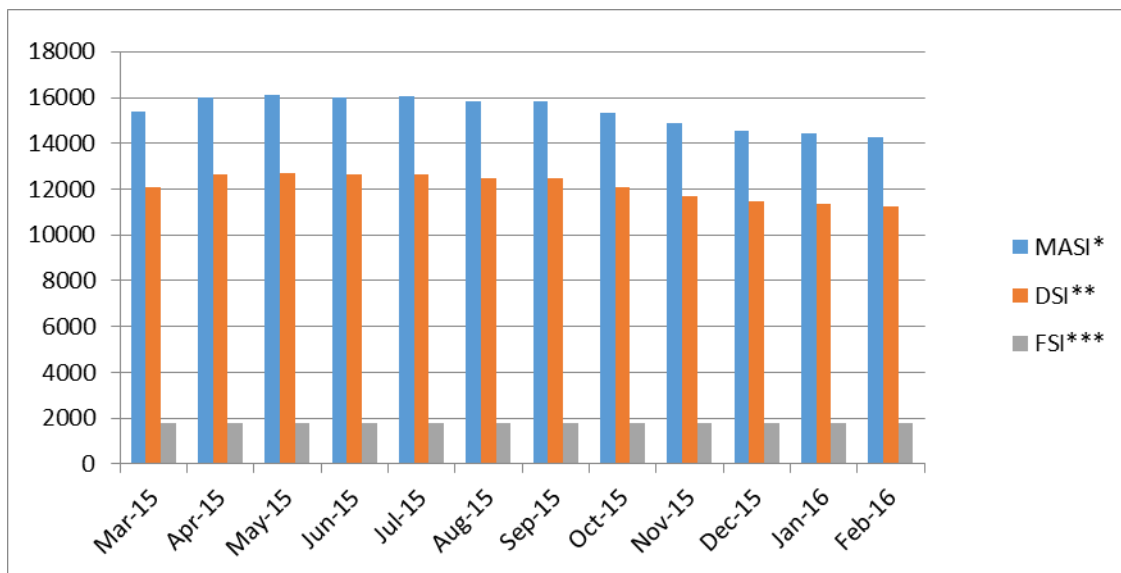




MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

FEBRUARY 2016



MALAWI STOCK EXCHANGE

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MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR FEBRUARY 2016

1.0 TRADING SUMMARY

The Market registered a monthly negative return on index of **-1.22%** (**-2.98%** in US Dollar terms) to close the month of February at 14263.58 points compared to 14440.24 points in January 2016.

It however recorded an increase in traded value despite registering a decrease in traded volume. There were no trades on the listed government bonds.

Index Levels and Return – FEBRUARY 2016

INDEX	Feb. 2015	Jan. 2016	Feb. 2016	Monthly % Δ	YTD % Δ
MASI	14971.01	14440.24	14263.58	1.22 ▼	2.05 ▼
DSI	11787.78	11365.60	11225.08	1.24 ▼	2.07 ▼
FSI	1762.13	1762.13	1762.13	0.00 ■	0.00 ■

Trading Statistics – FEBRUARY 2016

	FEBRUARY 2016	JANUARY 2016	% Δ
Traded Value (MK)	106,507,786.33	99,852,436.20	6.67 ▲
Traded Value (US\$)	141,811.08	143,759.67	1.36 ▼
Traded Vol. Shares	1,830,916	2,795,087	34.50 ▼
No. of Transactions	65	80	18.75 ▼
Index Close (MASI)	14263.58	14440.24	1.22 ▼
Index Close (DSI)	11225.08	11365.60	1.24 ▼
Listed companies	14	14	
Traded Companies	11	13	
Not Traded Companies	03	01	
Gainers	01	01	
Decliners	04	02	
Unchanged	06	10	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

A total of 1,830,916 [7,495,950 Feb. 2015] shares were transacted in the month of February 2016 at a total consideration of MK106,507,786.33(US\$141,811.08) [MK139,872,357.88(US\$315,425.75),

Feb. 2015] in 65 trades. In the previous month of January 2016, the market transacted a total of 2,795,087 shares at a total consideration of MK99,852,436.20(US\$143,759.67) in 80 trades. This reflects a **-34.50%** decrease in terms of share volume and **6.67%** (**-1.36%** in US Dollar terms) increase in share value.

The market registered an average daily volume of 87,186 shares in February 2016 compared to 133,099 shares in January 2016.

The average daily turnover for February 2016 was MK5,071,799.35 (US\$6,752.91) compared to MK4,754,877.91 (US\$6,845.70) for the previous month, reflecting an increase of **6.67%** (**-1.36%** in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR FEBRUARY 2016

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
January	2,795,087	99,852,436.20	143,759.67
February	1,830,916	106,507,786.33	141,811.08
% CHANGE	34.50 ▼	6.67 ▲	1.36 ▼
YTD 2016	4,626,003	206,360,222.53	285,570.75

2.2 Market Capitalisation and Index

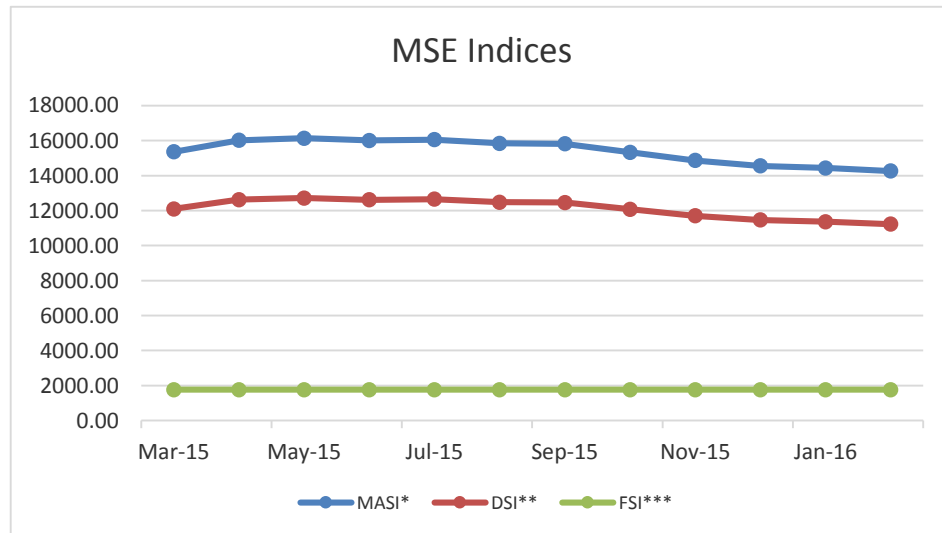
The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 14440.24 points registered on 31st January 2016 to 14263.58 points registered on 29th February 2016, giving a monthly return on index of **-1.22%**, (**2.98% ▼** in US\$ terms). The price gain registered by one counter, SUNBIRD, was not enough to offset share price losses registered by four counters, FMB, NBS, NITL and TNM resulting into a decrease in the Domestic Share index by **1.24% ▼** (**3.00% ▼** in US\$ terms) from 11365.60 points to 11225.08 points. The Foreign Share index was steady at 1762.13 points.

Table 2: Market Capitalization and Index – February 2016

Month Ending	Mkt. Cap. MKm.	Mkt. Cap. US\$m	Mkt. Cap. MKm*	Mkt. Cap. US\$m*	MASI
January	7,516,892.89	11,313.04	616,891.21	928.43	14440.24
February	7,509,345.98	10,124.58	609,344.30	821.56	14263.58

* Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – February 2016



2.3 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 February was recorded at 0.017% compared to 0.016% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.0033% in February 2016 compared to 0.0031% in January 2016.

Table 3: Market Liquidity – February 2016

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
January	234.87	19.275	0.00312	0.0162	0.015870
February	234.64	19.040	0.00333	0.0175	0.010396

* Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
SUNBIRD	Sunbird Tourism Limited	15.00 ▲

One counter registered a capital gain in February 2016.

Top Losers

MSE CODE	COUNTER NAME	% LOSS
NBS	NBS Bank	15.70 ▼
NITL	National Investments Trust Limited	9.09 ▼
FMB	FMB Bank	7.14 ▼
TNM	TNM	5.09 ▼

Four counters registered capital losses in February 2016

Top Four Traded Stocks by Volume- February 2016

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	850,509	46.45
SUNBIRD	Sunbird Tourism Limited	287,771	15.72
BRITAM	Britam Insurance Company Limited	175,820	9.60
NBM	National Bank of Malawi	168,603	9.21

Top Four Traded Stocks by Value- February 2016

MSE CODE	COUNTER NAME	MK	% OF TOTAL
NBM	National Bank of Malawi	43,499,574.00	40.84
STANDARD	Standard Bank Malawi	25,294,720.00	23.75
PCL	Press Corporation Limited	17,356,470.00	16.30
SUNBIRD	Sunbird Tourism Limited	7,597,742.95	7.13

Company Trading Statistics- February 2016

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	980	980	0.00%	-	-
BRITAM	200	200	0.00%	175,820	351,640.00
FMB	1400	1300	-7.14%	10,550	137,150.00
ILLOVO	23000	23000	0.00%	-	-
MPICO	800	800	0.00%	88,542	708,336.00
NBM	25800	25800	0.00%	168,603	43,499,574.00
NBS	2300	1939	-15.70%	51,667	1,010,801.50
NICO	2800	2800	0.00%	-	-
NITL	5500	5000	-9.09%	107,000	5,350,000.00
PCL	53500	53500	0.00%	32,442	17,356,470.00
STANDARD	44000	44000	0.00%	57,488	25,294,720.00
SUNBIRD	2300	2645	15.00%	287,771	7,597,742.95
TNM	550	522	-5.09%	850,509	4,466,703.88
OML	140200	140200	0.00%	524	734,648.00
				1,830,916	106,507,786.33

3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha appreciated against the British Pound(GBP) but marginally depreciated against the United States Dollar(US\$), the South African Rand(ZAR) and the Euro(EUR) between 31st January 2016 and 29th February, 2016 as shown in Table 4 below;

TABLE 4: MONTHLY EXCHANGE RATES: Jan. 2016-Feb. 2016

CURRENCY	END JAN' 2016	END FEB' 2016	% CHANGE
MK/US Dollar	728.4774	741.6945	1.78 ▼
MK/GBP	1050.7695	1026.4834	2.37 ▲
MK/ZAR	45.6824	46.0242	0.74 ▼
MK/EUR	795.9299	810.3645	1.78 ▼

Source: National Bank of Malawi.

- 3.2 The headline inflation for January 2016 stood at 23.5% down by 1.4% on account of a decrease in both food and non-food inflation between December 2015 and January 2016.

The urban and rural inflation rates for the month of January 2016 were 18.3% and 26.9% respectively.

Key Economic Indicators- February 2016

	Feb. 2015	Jan. 2016	Feb. 2016
Inflation Rate	19.7	23.5	23.5(Jan)
RBM Bank Rate	25.0	27.0	27.0
Prime Rate	37.0	34.0	34.0
91 Days T-Bill	26.65		
182 Days T-Bill	26.99	25.4274	
364 Days T-Bill	26.89	26.4996	
Import Cover(Months)	3.48	2.89	2.66

Source: Reserve Bank of Malawi, National Bank of Malawi and National Statistical Office

Import cover went down by 7.96% from 2.89 months on 31st January, 2016 to 2.66 months on 29th February, 2016.