

MONTHLY MARKET REPORT JANUARY 2025



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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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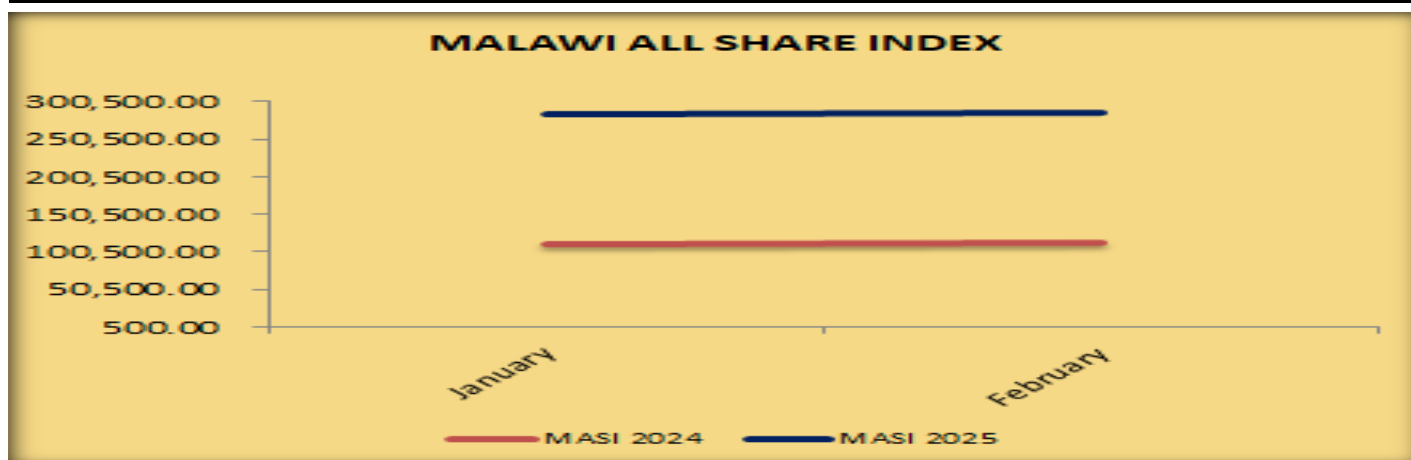
1. TRADING SUMMARY

In the month of January 2025, the market registered a positive month-on-month return on index of 29.90%(29.90% in US\$ terms) compared to 4.25%(4.25% in US\$ terms) in January 2024. Additionally, the market registered an increase in total traded value despite registering a decrease in total volume of shares.

There were no trades on the 109 Debt Securities Board.

Index Levels and Return – January 2025

| INDEX | January 2025 | December 2024 | % Monthly Δ 2025 | % Monthly Δ 2024 | % Δ YTD. 2025 |
|-------|--------------|---------------|-------------------------|-------------------------|------------------------|
| MASI | 223,474.92 | 172,039.93 | 29.90 \blacktriangle | 4.25 \blacktriangle | 29.90 \blacktriangle |
| DSI | 173,854.75 | 131,362.56 | 32.35 \blacktriangle | 0.03 \blacktriangle | 32.35 \blacktriangle |
| FSI | 31,921.06 | 27,738.47 | 15.08 \blacktriangle | 33.77 \blacktriangle | 15.08 \blacktriangle |



| | January 2025 | December 2024 | Monthly % Δ | January 2024 | Y-O-Y % Δ |
|------------------------|------------------|------------------|------------------------|------------------|-------------------------|
| Traded Value (MK) | 9,780,193,721.32 | 8,580,202,150.39 | 13.99 \blacktriangle | 2,072,775,239.46 | 371.84 \blacktriangle |
| Traded Value (US\$) | 5,640,211.75 | 4,948,179.79 | 13.99 \blacktriangle | 1,231,327.51 | 358.06 \blacktriangle |
| Traded Vol. Shares | 33,230,631 | 78,782,008 | -57.82 | 11,982,617 | 177.32 \blacktriangle |
| No. of Transactions | 2,060 | 1,552 | 32.73 \blacktriangle | 870 | 136.78 \blacktriangle |
| Index Close (MASI) | 223,474.92 | 172,039.93 | 29.90 \blacktriangle | 115,670.54 | 93.20 \blacktriangle |
| Listed Debt Securities | 109 | 110 | | 79 | |
| Traded Debt Securities | 00 | 00 | | 00 | |
| Listed companies | 16 | 16 | | 16 | |
| Traded Companies | 16 | 15 | | 16 | |
| Not Traded Companies | 00 | 01 | | 00 | |
| Gainers | 10 | 08 | | 10 | |
| Decliners | 03 | 04 | | 06 | |
| Unchanged | 03 | 01 | | 00 | |

2. MARKET PERFORMANCE



MALAWI STOCK EXCHANGE

A. Trade Performance Analysis The market transacted a total of 33.23 million shares at a total consideration of MK9.78 billion (US\$5.64 million) in 2,060 trades in the month of January 2025. In the previous month of December 2024, the market transacted a total of 78.78 million shares at a total consideration of MK8.58 billion (US\$4.95 million) in 1,552 trades. This reflects a **-57.82%** decrease in terms of share volume traded and a **13.99%** (13.99% in US Dollar terms) increase in share value traded.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 1.58 million shares compared to 3.94 million shares traded in December 2024, reflecting a decrease of **-59.83%**.

The average daily turnover for January 2025 was MK465.72 million (US\$268.58 thousand) compared to MK429.01 million (US\$247.41 thousand) in December 2024, reflecting an increase of **8.56%** (8.56% 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 172,039.93 points registered in December 2024 to 223,474.92 points registered in January 2025, giving a month-on-month return on index of **29.90%** (29.90% in US\$ terms). The price gains registered by NBS(100.68%), FDHB(85.20%), NBM(73.27%), FMBCH(15.21%), SUNBIRD(15.01%), STANDARD (6.42%), MPICO(2.54%), NITL(0.17%), PCL(0.01%) and ILLOVO(0.001%) were enough to offset share price losses registered by TNM(-20.05%), AIRTEL(-6.58%) and ICON (-0.06%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share and the Foreign Share indices inched upwards by 32.35% from 131,362.56 to 173,854.75 points and by 15.08% from 27,738.47 to 31,921.06 points respectively.

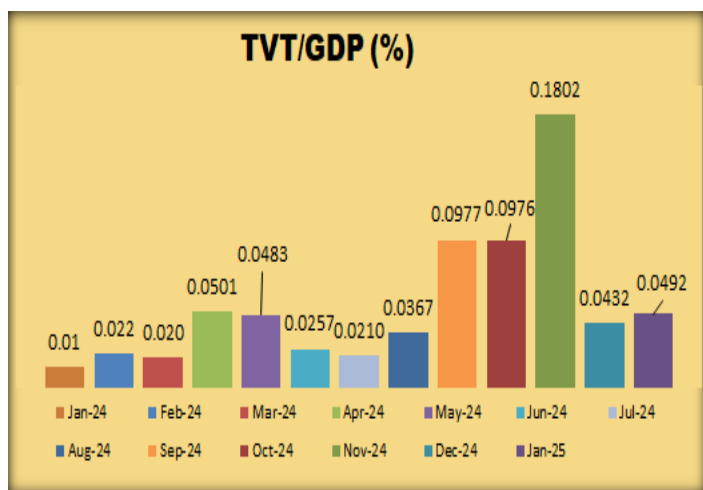
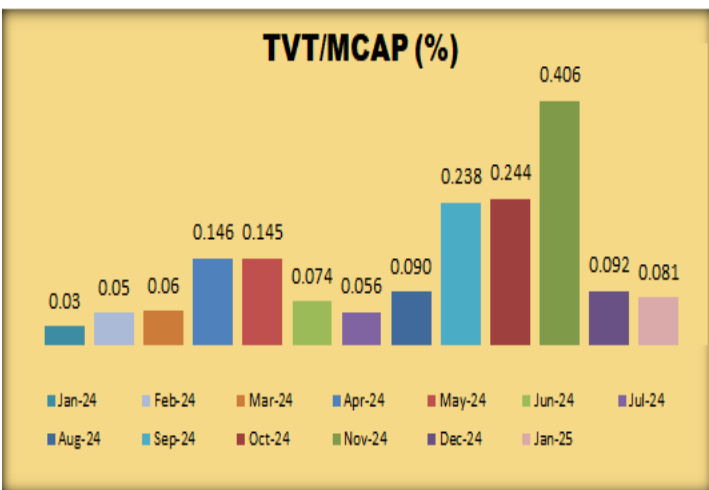
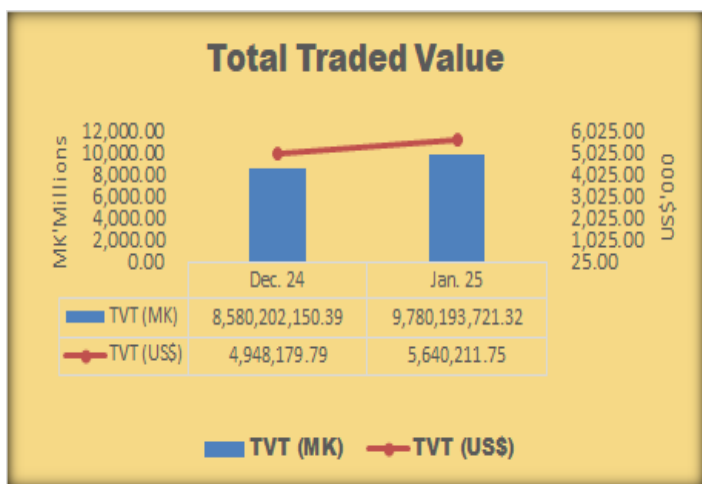
Equity market capitalization increased in both Malawi Kwacha and US Dollar terms from MK9.38 trillion (US\$5.41 billion) to MK12.14 trillion (US\$7.00 billion).

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 2025 was recorded at 0.08%, lower than 0.09% registered in December 2024. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.05% in January 2025 while during the previous month, December 2024, liquidity was at 0.04%.

Market capitalization as a percentage of GDP was at 61.14% in January 2025 and 47.21% in December 2024.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

Top 5 gainers

Ten counters registered capital gains in the period under review.

| MSE CODE | ISIN | COUNTER NAME | % GAIN |
|----------|--------------|-----------------------------|----------|
| NBS | MWNBS0010105 | NBS Bank plc | 100.68 ▲ |
| FDHB | MWFDHB001166 | FDH Bank plc | 85.20 ▲ |
| NBM | MWNBM0010074 | National Bank of Malawi plc | 73.27 ▲ |
| FMBCH | MWFMB0010138 | FMB Capital Holdings plc | 15.21 ▲ |
| SUNBIRD | MWSTL0010085 | Sunbird Tourism plc | 15.01 ▲ |

Top 5 Losers

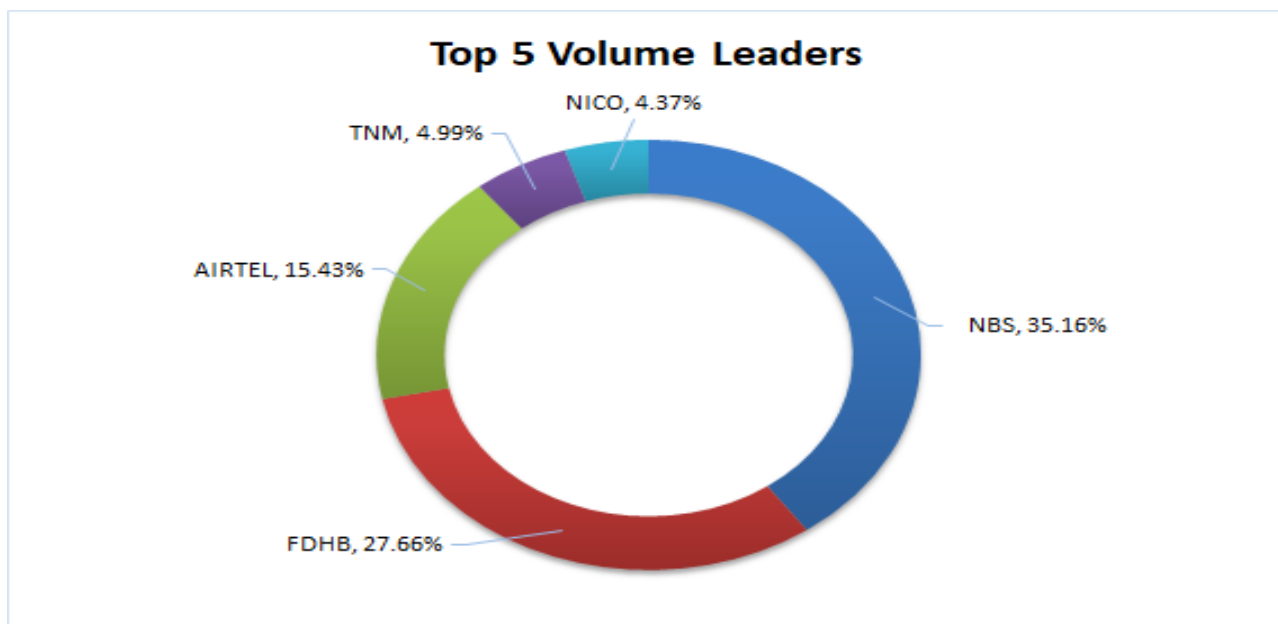
Three counters registered capital losses in the period under review.

| MSE CODE | ISIN | COUNTER NAME | % LOSS |
|----------|--------------|-----------------------------|--------|
| TNM | MWTNM0010126 | Telekom Networks Malawi plc | -20.05 |
| AIRTEL | MWAIRT001156 | Airtel Malawi plc | -6.58 |
| ICON | MWICON001146 | ICON Properties plc | -0.06 |

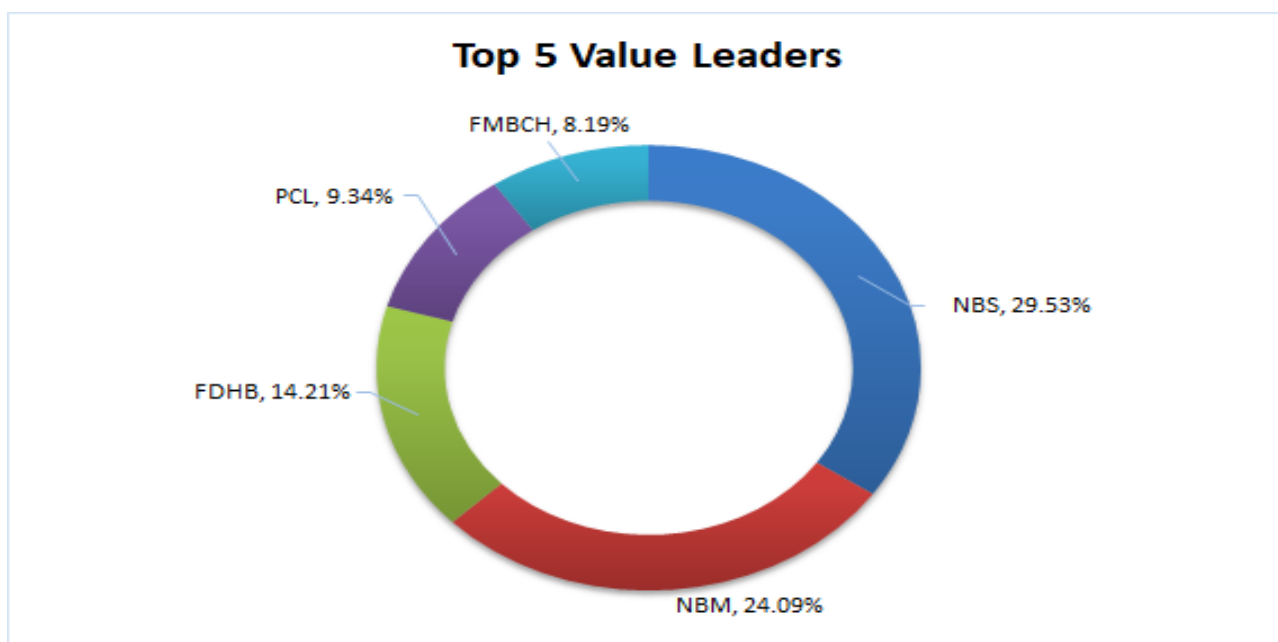


3. COMPANY TRADING PERFORMANCE

Top 5 Volume Leaders



Top 5 Value Leaders





3. COMPANY TRADING PERFORMANCE

In the secondary market, 33.23 million shares were transacted at a total consideration of MK9.78 billion (US\$5.64 million) in 2,060 deals with no listings in the primary market.

| Symbol | Open | High | Low | Close | Price Δ | Volume | Value | Trades Count | Market Capitalization |
|--------------|----------|----------|----------|----------|---------|-------------------|-------------------------|--------------|------------------------------|
| AIRTEL | 90.00 | 90.00 | 80.00 | 84.08 | -6.58% | 5,126,906 | 428,863,606.33 | 210 | 924,880,000,000.00 |
| BHL | 14.55 | 14.55 | 14.54 | 14.55 | 0.00% | 656,397 | 9,550,076.40 | 34 | 85,528,609,304.25 |
| FDHB | 148.23 | 274.52 | 148.20 | 274.52 | 85.20% | 9,192,183 | 1,389,563,000.06 | 324 | 1,894,471,098,750.00 |
| FMBCH | 555.00 | 639.42 | 554.99 | 639.42 | 15.21% | 1,400,683 | 800,617,850.96 | 104 | 1,571,854,215,000.00 |
| ICON | 18.05 | 18.05 | 18.03 | 18.04 | -0.06% | 655,610 | 11,829,368.86 | 22 | 120,507,200,000.00 |
| ILLOVO | 1,355.08 | 1,355.09 | 1,355.07 | 1,355.09 | 0.001% | 157,459 | 213,370,528.21 | 81 | 966,781,359,800.19 |
| MPICO | 18.53 | 19.00 | 18.53 | 19.00 | 2.54% | 218,108 | 4,128,424.50 | 23 | 43,662,901,740.00 |
| NBM | 3,462.17 | 6,000.00 | 3,462.17 | 5,998.87 | 73.27% | 458,810 | 2,355,949,332.81 | 242 | 2,801,062,795,136.06 |
| NBS | 174.07 | 350.00 | 174.00 | 349.33 | 100.68% | 11,682,351 | 2,888,554,090.00 | 581 | 1,016,750,590,451.48 |
| NICO | 419.02 | 419.03 | 418.95 | 419.02 | 0.00% | 1,453,235 | 608,924,711.00 | 260 | 437,055,080,045.92 |
| NITL | 440.00 | 441.00 | 440.00 | 440.77 | 0.17% | 159,756 | 70,322,247.00 | 34 | 59,503,950,000.00 |
| OMU | 1,950.01 | 1,950.01 | 1,950.01 | 1,950.01 | 0.00% | 262 | 510,902.62 | 2 | 28,602,319,627.81 |
| PCL | 2,499.79 | 2,499.97 | 2,499.79 | 2,499.95 | 0.01% | 365,560 | 913,836,595.22 | 25 | 300,633,537,209.00 |
| STANDARD | 6,483.95 | 6,900.02 | 6,483.95 | 6,900.02 | 6.42% | 5,286 | 36,231,711.00 | 19 | 1,619,215,011,163.24 |
| SUNBIRD | 240.08 | 276.12 | 240.08 | 276.12 | 15.01% | 41,000 | 10,924,610.00 | 8 | 72,228,181,989.60 |
| TNM | 24.99 | 25.00 | 19.96 | 19.98 | -20.05% | 1,657,025 | 37,016,666.35 | 91 | 200,608,191,000.00 |
| Total | | | | | | 33,230,631 | 9,780,193,721.32 | 2,060 | 12,143,345,041,217.60 |



4. BOND TRADING PERFORMANCE

In the period under review, there were 9 Development Bonds and 100 Treasury Notes issued by Malawi Government with a total nominal value of MK6.02 trillion as at 31 January 2025.

There were no trades in the secondary market.

| DEBT SECURITY TYPE | TOTAL LISTED | COUPON RATE RANGE (%) | TOTAL NOMINAL VALUE (MK'BILLION) |
|--------------------|--------------|-----------------------|----------------------------------|
| Development Bonds | 9 | 13.50-16.00 | 146.09 |
| Treasury Notes | 100 | 10.00-16.00 | 5,869.79 |

5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

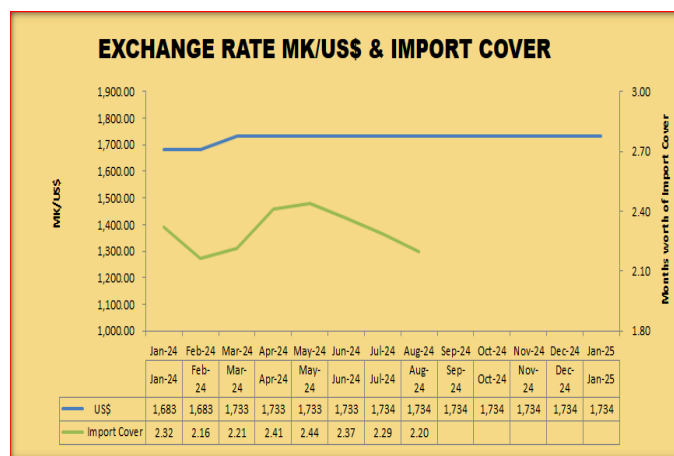
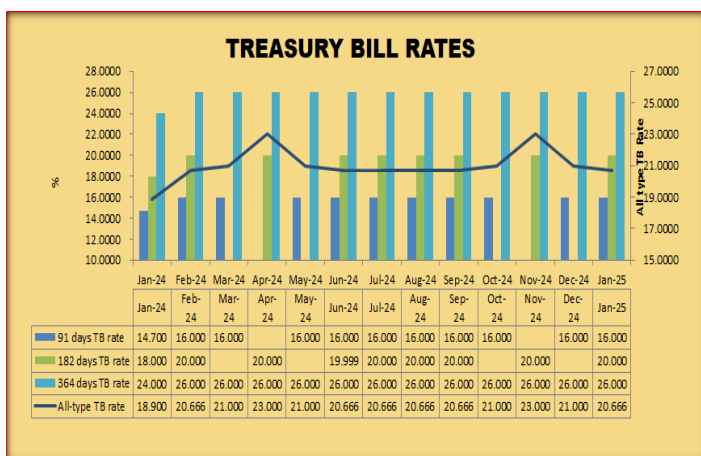
Interest Rates

During the period under review, the yields on the 91 day Tbill, the 182 day Tbill and the 364 day Tbill were steady at 16.0000%, 20.0000% and 26.0000% respectively.

Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. 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.

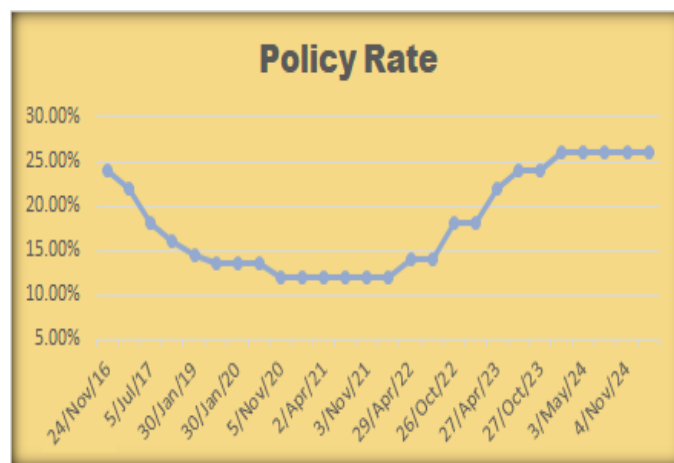
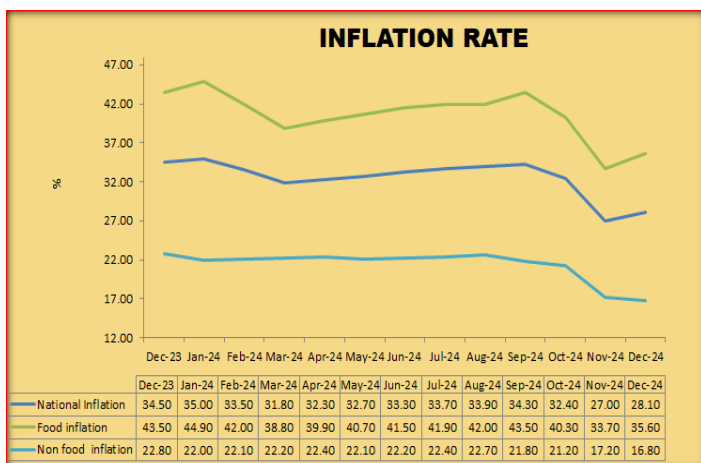


Inflation Rates

Headline inflation inched upwards by 110 basis points from 27.00% in November, 2024 to 28.10% in December, 2024.

Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 30 January 2025 maintained the policy rate at 26%.



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