

MONTHLY MARKET REPORT

MAY 2019



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MALAWI STOCK EXCHANGE

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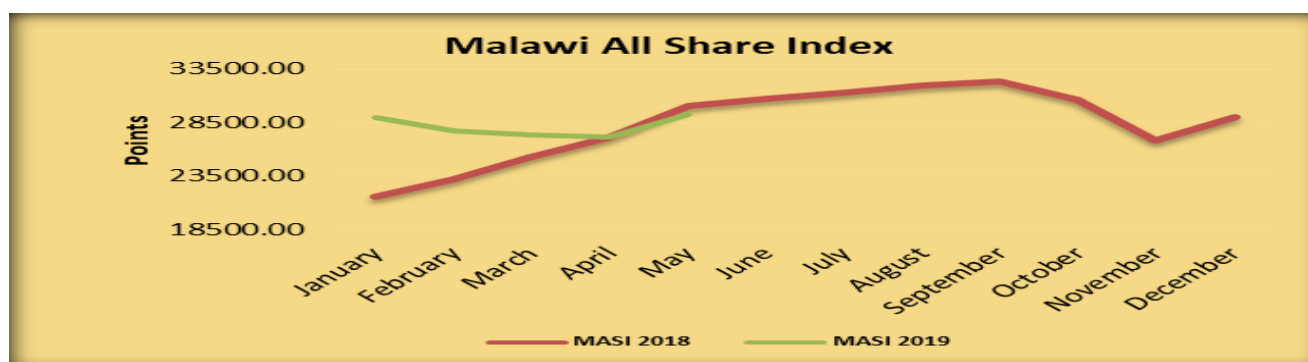
1. TRADING SUMMARY

The market was bullish as it registered a month-on-month return on index of 7.77% (6.20% in US\$ terms), -2.65% year-on-year, and an increase in both total volume of shares traded and value.

There were no trades on the listed debt securities.

Index Levels and Return – May 2019

INDEX	MAY 2019	APRIL 2019	% Monthly Δ 2019	% Monthly Δ 2018	% Δ YTD. 2019
MASI	29246.08	27138.65	7.77 ▲	10.89 ▲	0.91 ▲
DSI	22235.79	20334.43	9.35 ▲	7.04 ▲	4.30 ▲
FSI	4521.93	4521.94	-0.0002	21.62 ▲	-14.12



Trading Statistics – May 2019

	May 2019	April 2019	Monthly % Δ	May 2018	Y-O-Y %Δ
Traded Value (MK)	9,091,064,161.08	5,237,292,481.94	73.58 ▲	10,613,139,506.15	-14.34
Traded Value (US\$)	12,219,536.37	7,129,067.84	71.40 ▲	14,625,963.41	-16.45
Traded Vol. Shares	139,056,337	53,606,240	159.40 ▲	265,730,032	-47.67
No. of Transactions	381	348	9.48 ▲	164	132.32 ▲
Index Close (MASI)	29246.08	27138.65	7.77 ▲	30043.03	-2.65
Listed Debt Securities	12	12		03	
Traded Debt Securities	00	00		00	
Listed companies	14	14		13	
Traded Companies	14	13		13	
Not Traded Companies	00	01		00	
Gainers	06	04		08	
Decliners	02	04		00	
Unchanged	06	05		05	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 139,056,337 shares at a total consideration of MK9,091,064,161.08 (US\$12,219,536.37) in 381 trades. In the previous month, April 2019, the market transacted a total of 53,606,240 shares at a total consideration of MK5,237,292,481.94 (US\$7,129,067.84) in 348 trades. This reflects a **159.40%** increase in terms of share volume traded and a **73.58%** (**71.40%** in US Dollar terms) increase in share value traded. Of the total shares traded, 13,000,000 NICO shares were traded as negotiated deals.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 6,621,730 shares compared to 2,552,678 shares traded in April 2019.

The average daily turnover for May 2019 was MK432,907,817.19 (US\$581,882.68) compared to MK249,394,880.09 (US\$339,479.42) in April 2019, reflecting an increase of **73.58%** (**71.40%** 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 27138.65 points registered in April 2019 to 29246.08 points registered in May 2019, giving a month-on-month return on index of **7.77%** (**6.20%** in US\$ terms). The price gains registered by PCL(16.67%), NBM(14.06%), TNM(13.73%), NICO(12.84%), MPICO(11.43%) and ILLOVO(5.00%) offset the share price losses in OMU(0.01%) and STANDARD(0.004%) resulting into an upward movement of the Malawi All Share Index. The Domestic and Foreign Share Indices closed at 22235.79 and 4521.93 points respectively.

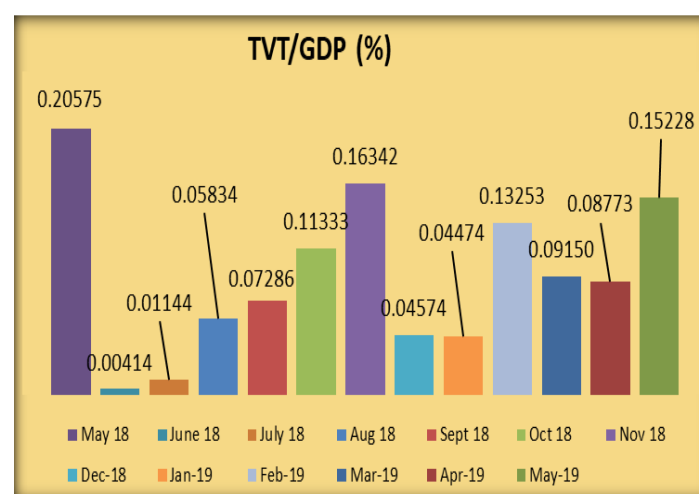
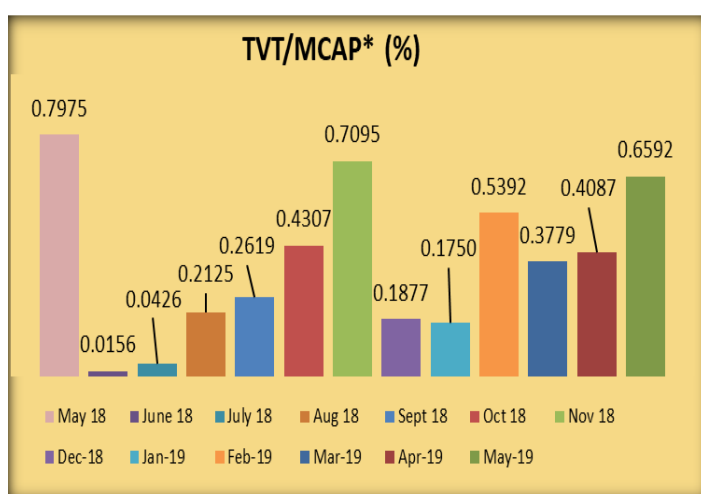
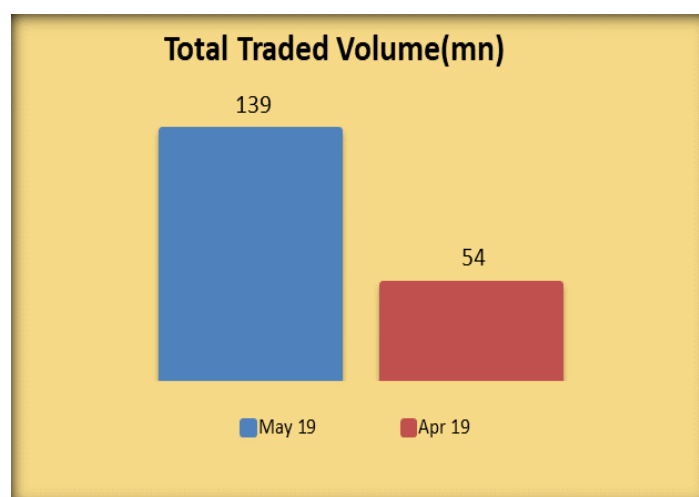
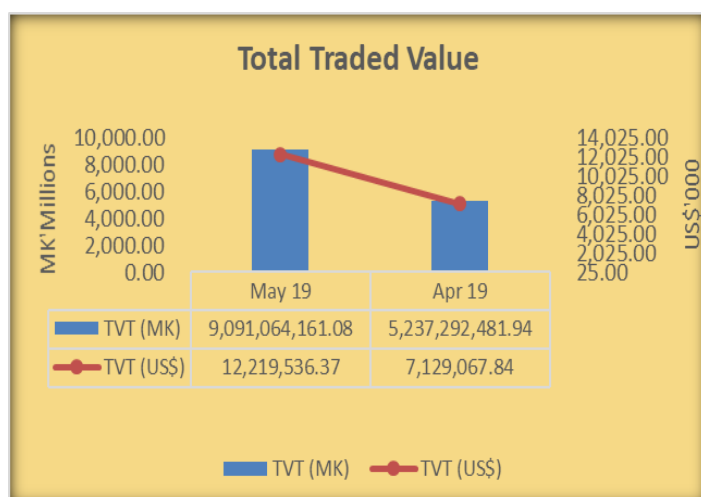
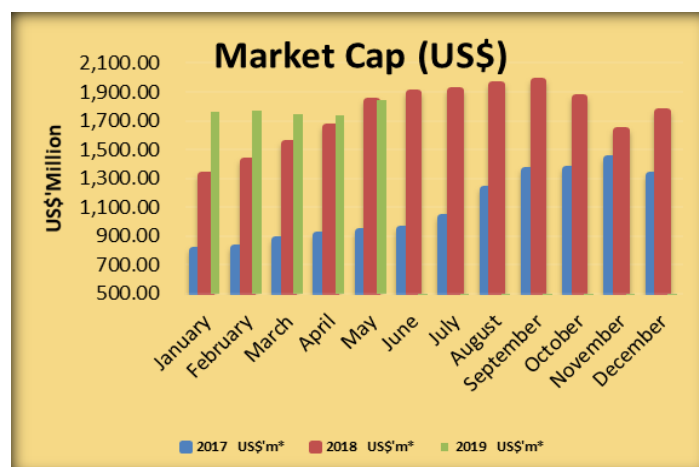
Market capitalization increased in both Malawi Kwacha and United States Dollar terms from MK1,281,524.29 million (US\$1,737.53 million) in April 2019 to MK1,379,206.06 million (US\$1,842.78 million) in May 2019 .

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 May 2019 was recorded at 0.66%, marginally higher than 0.41% registered in April 2019. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.15% in May 2019 while during the previous month, April 2019, liquidity was at 0.09%. Market capitalization as a percentage of GDP was at 23.10% in May 2019 and 21.47% in April 2019.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Six counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
PCL	MWPCL0010053	Press Corporation plc	16.67 ▲
NBM	MWNB0010074	National Bank of Malawi plc	14.06 ▲
TNM	MWTNM0010126	Telekom Networks Malawi plc	13.73 ▲
NICO	MWNICO0010014	NICO Holdings plc	12.84 ▲
MPICO	MWMPI0010116	MPICO plc	11.43 ▲

B. Top Losers: Two counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
OMU	ZAE000255360	Old Mutual Limited	-0.01
STANDARD	MWSTD0010041	Standard Bank Malawi plc	-0.004

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
TNM	MWTNM0010126	Telekom Networks Malawi plc	75,738,045	54.47
NICO	MWNICO0010014	NICO Holdings plc	28,832,311	20.73
MPICO	MWMPI0010116	MPICO plc	25,716,368	18.49
PCL	MWPCL0010053	Press Corporation plc	3,549,546	2.55
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	2,114,785	1.52

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
PCL	MWPCL0010053	Press Corporation plc	4,349,578,950.00	47.84
TNM	MWTNM0010126	Telekom Networks Malawi plc	2,183,308,062.00	24.02
NICO	MWNICO0010014	NICO Holdings plc	1,310,352,343.00	14.41
MPICO	MWMPI0010116	MPICO plc	494,777,887.50	5.44
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	444,024,790.00	4.88

3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Volume	Value	Trades Count	Market Capitalization
BHL	12.95	12.95	12.50	12.95	188,500	2,418,575.00	5	10,874,771,629.75
FMBCH	85.00	85.00	85.00	85.00	220,299	18,725,420.00	13	208,951,250,000.00
ICON	10.00	10.00	9.99	10.00	1,263,064	12,630,540.00	23	66,800,000,000.00
ILLOVO	200.00	210.00	200.00	210.00	2,114,785	444,024,790.00	6	149,823,322,110.00
MPICO	17.50	19.50	17.50	19.50	25,716,368	494,777,888.00	39	44,811,925,470.00
NBM	320.00	370.00	320.00	364.99	403,436	146,546,125.00	16	170,425,415,052.62
NBS	9.00	9.00	9.00	9.00	206,601	1,859,409.00	16	26,195,160,204.00
NICO	42.98	48.50	42.98	48.50	28,832,311	1,310,352,343.00	56	50,587,493,156.00
NITL	75.00	75.00	75.00	75.00	760,961	57,072,075.00	17	10,125,000,000.00
OMU	2,513.23	2,513.23	2,513.00	2,513.08	20,456	51,410,608.64	9	27,882,710,557.80
PCL	1,200.00	1,400.00	1,200.00	1,400.00	3,549,546	4,349,578,950.00	57	168,358,148,000.00
STANDARD	499.02	499.02	499.00	499.00	34,815	17,372,688.00	12	117,099,412,838.00
SUNBIRD	138.00	138.00	138.00	138.00	7,150	986,700.00	2	36,098,396,040.00
TNM	25.50	29.00	25.50	29.00	75,738,045	2,183,308,016.00	110	291,173,050,000.00
TOTAL					139,056,337	9,091,064,127.64	381	1,379,206,055,058.17

4. BOND TRADING SUMMARY

BOND	MATURITY DATE	COUPON FREQUENCY	COUPON RATE (%)	NOMINAL VALUE (MK' M N)
TN02YR31082019	31 August 2019	Bi-annual	11	20,000.0000
TN02YR250120	25 January 2020	Bi-annual	10	5,000.0000
TN03YR220221	22 February 2021	Bi-annual	11	3,000.0000
NFBN21062021	21 June 2021	Quarterly	18.5	50.0000
NFBN2162021	21 June 2021	Quarterly	18.5	1,000.0000
NFBN28062021	28 June 2021	Quarterly	17	3,000.0000
TN02YR040920	04 September 2020	Bi-annual	13	64,659.6800
TN03YR111021	11 October 2021	Bi-annual	14	13,776.0000
TN03YR270821	27 August 2021	Bi-annual	14	22,570.0000
TN05YR211123	21 November 2023	Bi-annual	15	39,105.0000
TN02YR310121	31 January 2021	Bi-annual	10	23,791.2530
TN07YR271225	27 December 2025	Bi-annual	15.5	48,087.0410
Total Outstanding Debt Securities				244,038.9740

There were no trades on the nine Treasury Notes and the three Mybucks Banking Corporation (formerly New Finance Bank) Medium Term Notes.

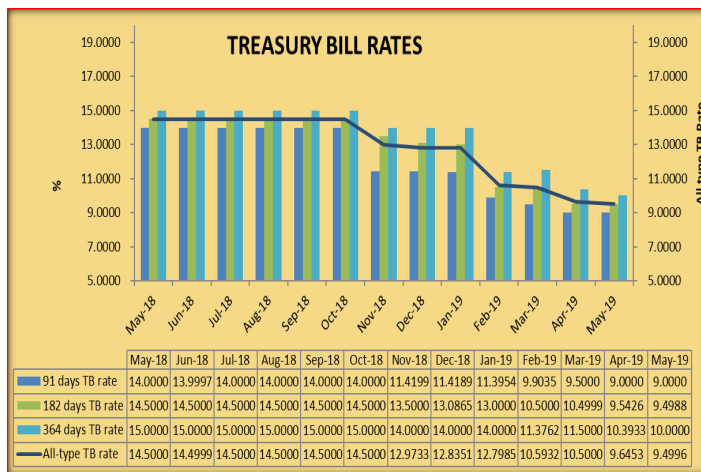
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

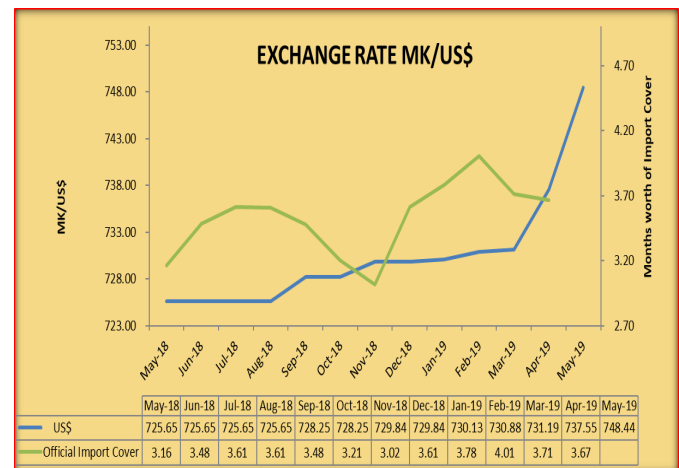
Interest Rates

During the period under review, the yields on the 91 days T-bill was steady at 9.0000% whilst the 182 days T-bill and the 364 days T-bill fell by 0.0438% from 9.5426% to 9.4988% and by 0.3933% from 9.6453% to 9.4996% respectively.



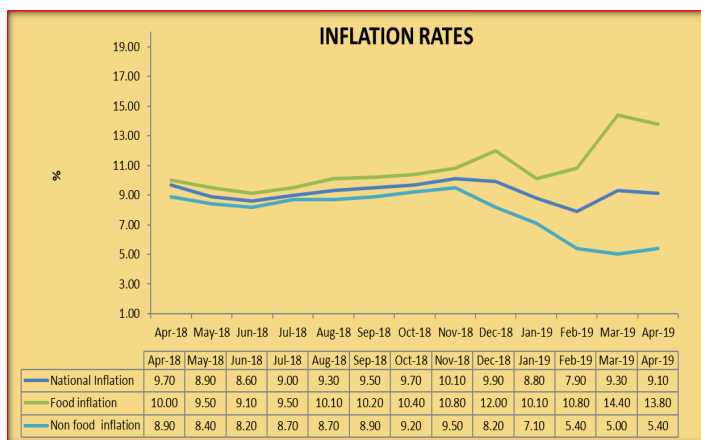
Exchange Rates

The Kwacha marginally depreciated against the United States Dollar in the period under review. Gross official reserves were at 3.67 months worth of import cover on 30 April 2019.



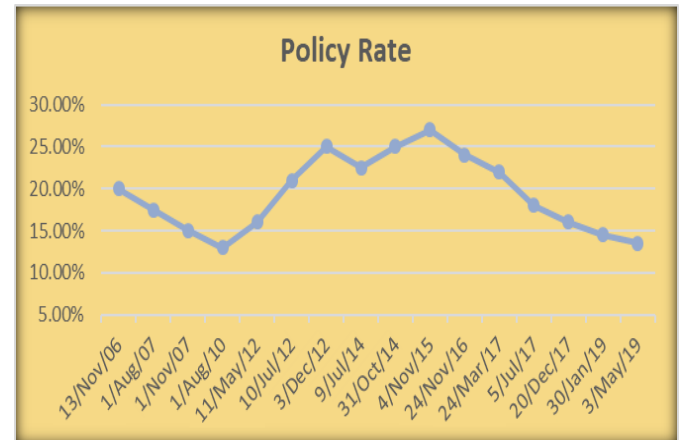
Inflation Rates

Headline inflation eased by 0.2 percentage points from 9.3% in March, 2019 to 9.1% in April, 2019.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 2 and 3 May 2019 reduced the policy rate from 14.5% to 13.5%.



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