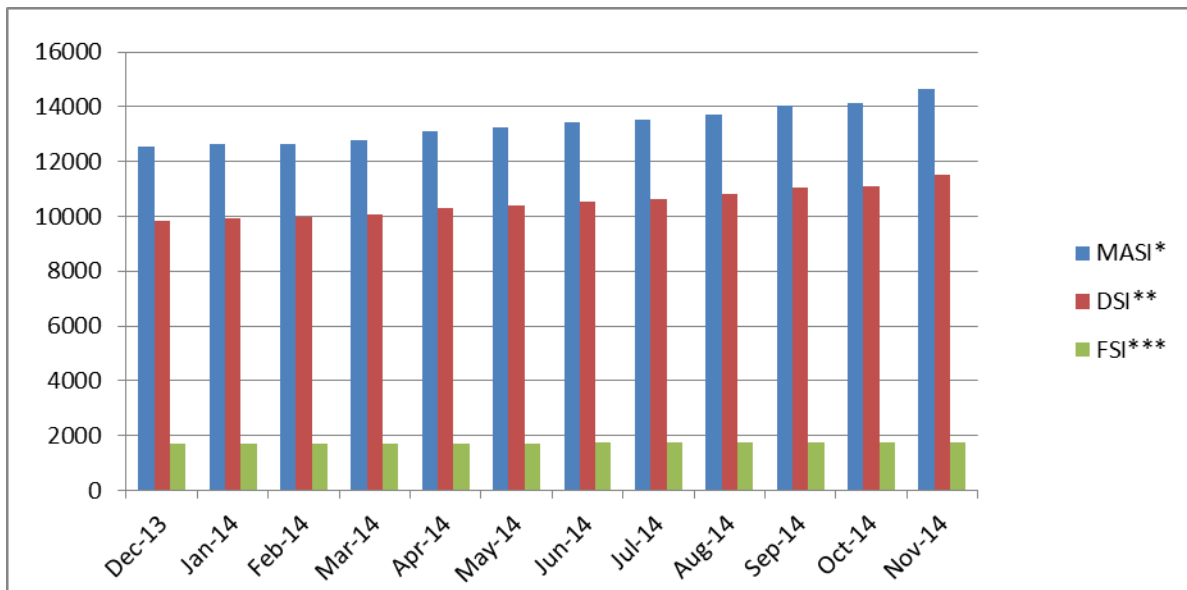




MALAWI STOCK EXCHANGE

## MONTHLY MARKET REPORT

### NOVEMBER 2014



**MALAWI STOCK EXCHANGE**

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# MALAWI STOCK EXCHANGE LIMITED

## MONTHLY MARKET PERFORMANCE REPORT FOR NOVEMBER 2014

### 1.0 TRADING SUMMARY

The Market registered a monthly return on index of **3.54%**(-1.73% in US Dollar terms) to close the month of November at 14626.91 points compared to 14127.41 points in October 2014.

It recorded an increase in traded value despite a decrease in traded volume compared to the previous month of October 2014.

#### Index Levels and Return – NOVEMBER 2014

INDEX	Nov. 2013	Oct. 2014	Nov. 2014	Monthly % Δ	YTD % Δ
<b>MASI</b>	12416.60	14127.41	14626.91	<b>3.54 ▲</b>	<b>16.73 ▲</b>
<b>DSI</b>	9759.96	11118.15	11514.25	<b>3.56 ▲</b>	<b>16.89 ▲</b>
<b>FSI</b>	1696.77	1742.21	1759.61	<b>1.00 ▲</b>	<b>2.94 ▲</b>

#### Trading Statistics – NOVEMBER 2014

	NOVEMBER 2014	OCTOBER 2014	% Δ
Traded Value (MK)	397,617,507.64	382,530,470.27	<b>3.94 ▲</b>
Traded Value (US\$)	818,426.68	879,348.62	<b>6.93 ▼</b>
Traded Vol. Shares	12,014,533	24,592,809	<b>51.15 ▼</b>
No. of Transactions	136	188	<b>27.66 ▼</b>
Index Close (MASI)	14626.91	14127.41	<b>3.54 ▲</b>
Index Close (DSI)	11514.25	11118.15	<b>3.56 ▲</b>
Listed companies	14	14	
Traded Companies	12	13	
Not Traded Companies	02	01	
<b>Gainers</b>	<b>07</b>	<b>06</b>	
<b>Decliners</b>	<b>00</b>	<b>00</b>	
Unchanged	05	07	

### 2.0 MARKET PERFORMANCE

#### 2.1 Trade Performance Analysis

From 1<sup>st</sup> November to 30<sup>th</sup> November, 2014 a total of 12,014,533 [317,216,892 in November 2013] shares were transacted at a total consideration of MK397,617,507.64(US\$818,426.68)

[MK4,331,791,529.25(US\$10,417,572.80) in November 2013] in 136 trades. In the previous month, October 2014, the market transacted a total of 24,592,809 shares at a total consideration of MK382,530,470.27(US\$879,348.62) in 188 trades. This reflects a **-51.15%** decrease in terms of share volume and **3.94%** (**-6.93%** in US Dollar terms) increase in share value.

The market registered an average daily volume of 572,121 shares in November 2014 compared to 1,171,086 shares in October 2014.

The average daily turnover for November 2014 was MK18,934,167.03 (US\$38,972.70) compared to MK18,215,736.68 (US\$41,873.74) for the previous month, reflecting an increase of **3.94%** (**-6.93%** in US Dollar terms).

**TABLE 1: TRADING SUMMARY FOR OCTOBER 2014 – NOVEMBER 2014**

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
October	24,592,809	382,530,470.27	879,348.62
November	12,014,533	397,617,507.64	818,426.68
<b>% CHANGE</b>	<b>51.15 ▼</b>	<b>3.94 ▲</b>	<b>6.93 ▼</b>

## 2.2 Market Capitalisation and Index

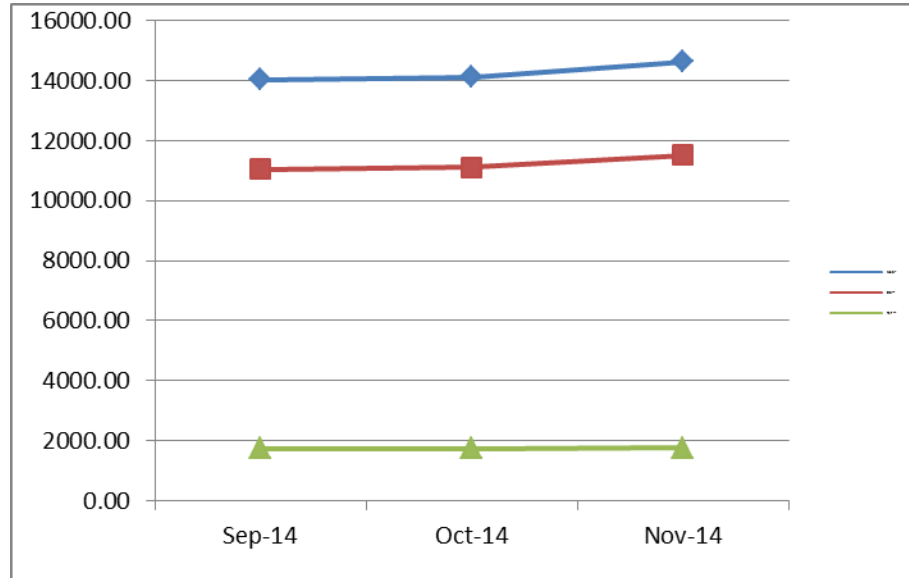
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 14127.41 points registered on 31<sup>st</sup> October 2014 to 14626.91 points registered on 30<sup>th</sup> November 2014, giving a monthly return on index of **3.54%**, (**-1.73%** in US\$ terms). The price gains registered by seven counters, FMB, ILLOVO, NBS, NICO, PCL, STANDARD BANK and OML were the major drivers resulting into an increase in both the Domestic Share and the Foreign Share Indices by **3.56%** from 11118.15 points to 11514.25 points and by **1.00%** from 1742.21 points to 1759.61 points, respectively.

**Table 2: Market Capitalization and Index – November 2014**

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
October	7,389,058.02	15,656.7112	605,673.54	1,283.3646	14127.41
November	7,478,250.11	15,039.8843	627,088.06	1,261.1683	14626.91

\* Excludes non-Malawi register Old Mutual plc shares

**FIG 1: MSE INDICES – November 2014**



### 2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP\***) in November was recorded at 0.06% same as that registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) also recorded a same liquidity level of 0.02% recorded in the previous month.

**Table 3: Market Liquidity – November 2014**

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
October	302.68	24.810	0.01567	0.0632	0.139594
November	306.34	25.688	0.01629	0.0634	0.068197

\* Excludes non-Malawi register Old Mutual plc shares

## 2.4 Company Trading Performance

### Top Gainers

MSE CODE	COUNTER NAME	% GAIN
PCL	Press Corporation Limited	21.47
NICO	NICO Holdings Limited	8.33
STANDARD BANK	Standard Bank Malawi	6.32
FMB	FMB Bank	5.96
NBS	NBS Bank	5.26
OML	Old Mutual plc	1.00
ILLOVO	Illovo Sugar Malawi	0.07

Seven counters registered a capital gain in November 2014.

### Top Four Traded Stocks by Volume- November 2014

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	7,777,000	64.73
FMB	FMB Bank	1,169,355	9.73
REAL	Real Insurance	698,850	5.82
NBS	NBS Bank	533,302	4.44

### Top Four Traded Stocks by Value- November 2014

MSE CODE	COUNTER NAME	MK	% OF TOTAL
STANDARD BANK	Standard Bank Malawi	129,014,697.24	32.45
ILLOVO	Illovo Sugar Malawi	104,157,719.60	26.20
PCL	Press Corporation Limited	36,705,890.00	9.23
TNM	TNM	31,496,850.00	7.92

## Company Trading Statistics- November 2014

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	800	800	0.00%	-	-
FMB	1510	1600	5.96%	1,169,355	18,540,622.20
ILLOVO	29400	29420	0.07%	354,038	104,157,719.60
MPICO	400	400	0.00%	297,233	1,188,932.00
NBM	24100	24100	0.00%	33,864	8,161,224.00
NBS	2090	2200	5.26%	533,302	11,732,644.00
NICO	3000	3250	8.33%	401,111	12,535,392.50
NITL	4050	4050	0.00%	323,000	13,081,500.00
PCL	37300	45310	21.47%	87,734	36,705,890.00
REAL	230	230	0.00%	698,850	1,607,355.00
STANDARD BANK	39973	42500	6.32%	318,034	129,014,697.24
SUNBIRD	800	800	0.00%	-	-
TNM	405	405	0.00%	7,777,000	31,496,850.00
OML	138615	140000	1.00%	21,012	29,394,681.10
				<b>12,014,533</b>	<b>397,617,507.64</b>

### 3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha depreciated against all major trading currencies between 31<sup>st</sup> October and 30<sup>th</sup> November, 2014 as shown in Table 4 below;

**TABLE 4: MONTHLY EXCHANGE RATES: OCT. 2014-NOV. 2014**

CURRENCY	END OCT' 2014	END NOV' 2014	% CHANGE
MK/US Dollar	471.9419	497.2279	-5.09%
MK/GBP	754.8084	799.0934	-5.54%
MK/ZAR	44.7092	46.4251	3.70%
MK/EUR	596.4236	619.0598	-3.66%

Source: National Bank of Malawi

- 3.2 The year on year headline inflation stood at 23.3% in October 2014 down by 0.4% on account of a drop in food inflation from 22.7% in September to 21.5% in October 2014.

The urban and rural inflation rates for the month of October 2014 were 31.0% and 19.1% respectively.

- 3.3 Key economic indicators for November 2014

	Nov. 2013	Oct. 2014	Nov. 2014
Inflation Rate	22.9	23.3	23.3(Oct)
Policy Rate	25.0	25.0	25.0
Prime Rate	35.0	35.0	35.0
91 Days T-Bill	28.03	20.17	24.98
182 Days T-Bill	30.98	20.50	24.92
364 Days T-Bill	34.43	20.50	25.12
Import Cover(Months)	2.18	2.24	1.91

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

The 91 days, 182 days and 364 days treasury bills inched upwards by 23.85%, 21.56% and 22.54% respectively, between October and November 2014.

Import cover fell by 14.73% from 2.24 months on 31<sup>st</sup> October, 2014 to 1.91 months on 30<sup>th</sup> November, 2014.