

MONTHLY MARKET REPORT

NOVEMBER 2018



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

CONTENTS

<i>Trading Summary</i>	1
<i>Market performance</i>	2
<i>Trade performance analysis</i>	2
<i>Market capitalization and index</i>	2
<i>Market liquidity</i>	2
<i>Company trading performance</i>	3
<i>Bond Trading Summary</i>	4
<i>Economic review</i>	5

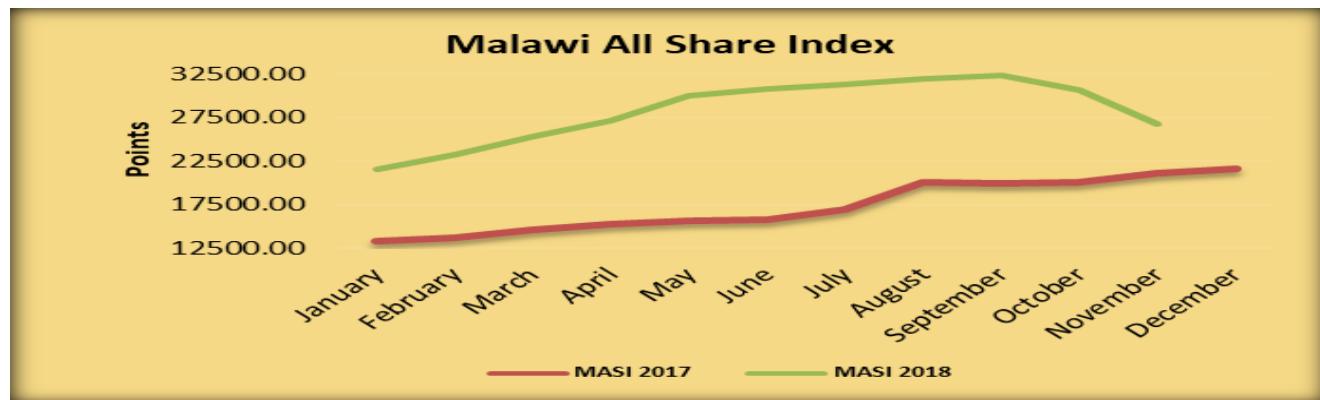
1. TRADING SUMMARY

The market was bearish in the month of November as it registered a month-on-month return on index of **-12.47%** (**-12.47%** in US\$ terms) despite registering an increase in both total value and volume traded. It however, registered a positive return on index of 24.10% on a year-to-date basis.

There were no trades on the listed debt securities.

Index Levels and Return – November 2018

INDEX	NOVEMBER 2018	OCTOBER 2018	Monthly Δ 2018	Monthly Δ 2017	% Δ YTD. 2018
MASI	26803.80	30622.36	-12.47	5.35 ▲	24.10 ▲
DSI	20772.39	20938.61	-0.79	0.57 ▲	27.65 ▲
FSI	3778.77	7196.88	-47.49	42.09 ▲	7.37 ▲



	November 2018	October 2018	Monthly % Δ	November 2017	Y-O-Y %Δ
Traded Value (MK)	8,429,682,349.22	5,845,797,261.15	44.20 ▲	763,567,556.43	1003.99 ▲
Traded Value (US\$)	11,549,964.05	8,081,622.66	44.04 ▲	1,052,248.84	997.65 ▲
Traded Vol. Shares	109,803,770	46,485,804	136.21 ▲	14,395,164	662.78 ▲
No. of Transactions	311	281	10.68 ▲	93	234.41 ▲
Index Close (MASI)	26803.80	30622.36	-12.47	21122.43	26.90 ▲
Listed Debt Securities	06	06		01	
Traded Debt Securities	00	00		00	
Listed companies	13	13		14	
Traded Companies	13	13		13	
Not Traded Companies	00	00		01	
Gainers	05	04		05	
Decliners	05	05		03	
Unchanged	03	04		05	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 109,803,770 shares at a total consideration of MK8,429,682,349.22 (US\$11,549,964.05) in 311 trades. In the previous month, October 2018, the market transacted a total of 46,485,804 shares at a total consideration of MK5,845,797,261.15 (US\$8,081,622.66) in 281 trades. This reflects a **136.21%** increase in terms of share volume and a **44.20%** (**44.04%** in US Dollar terms) increase in share value.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 5,228,751 shares compared to 2,213,610 shares traded in October 2018.

The average daily turnover for November 2018 was MK401,413,445.20 (US\$549,998.29) compared to MK278,371,298.15 (US\$381,839.17) in October 2018, reflecting an increase of **44.20%** (**44.04%** in US Dollar terms).

B. Market Capitalization and Index

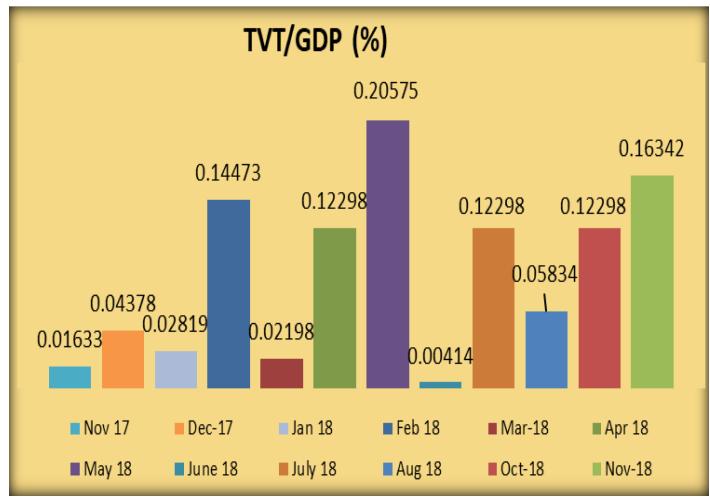
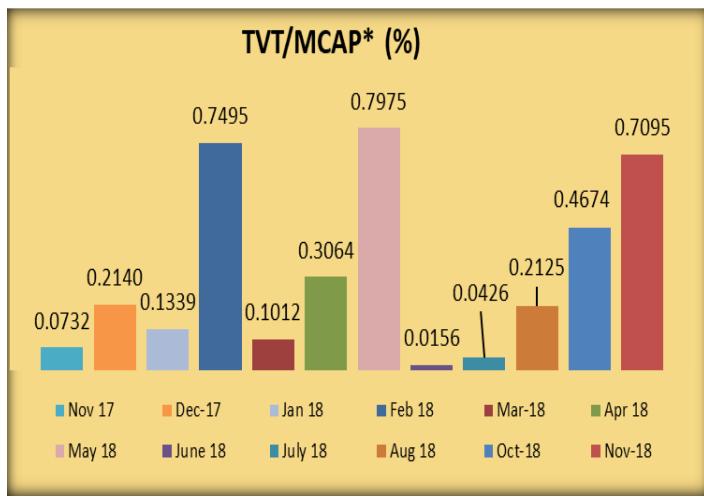
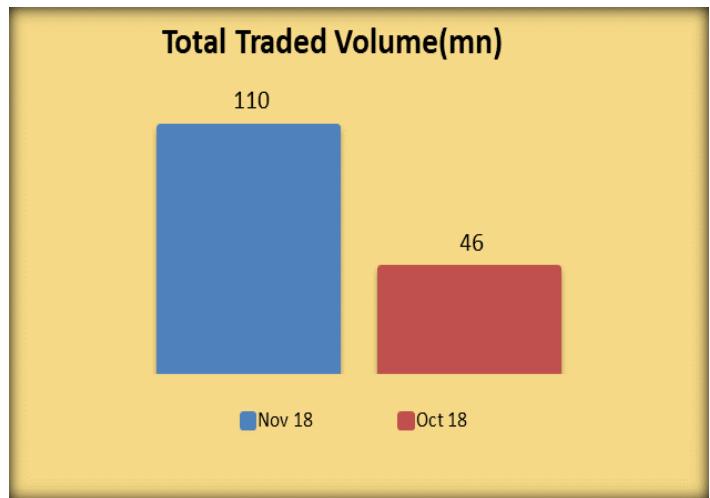
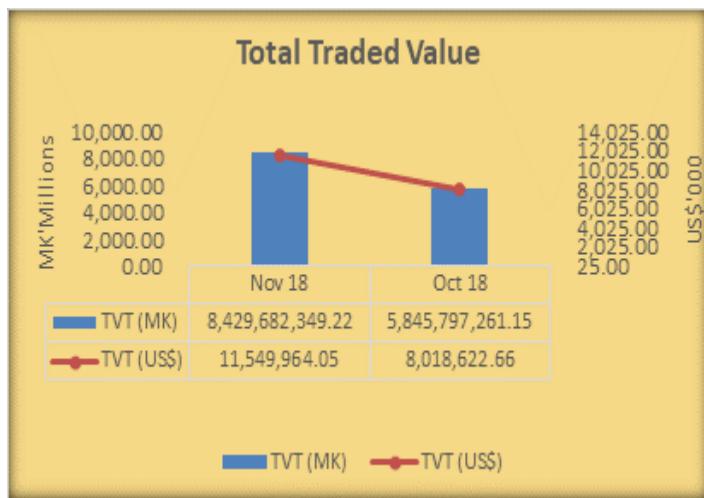
The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 30622.36 points registered in October 2018 to 26803.80 points registered in November 2018, giving a month-on-month return on index of **-12.47%** (**-12.47%** in US\$ terms). The price losses registered by FMBCH(-49.64%), MPICO(-35.90%), ILLOVO(-2.36%), NICO(-1.98%) and TNM (-0.04%) were enough to offset share price gains in PCL(8.57%), NBS(4.90%), BHL (3.34%), NBM(0.01%) and NITL(0.01%) resulting into a downward movement of the Malawi All Share Index. The Domestic Share Index and the Foreign Share Index fell by 0.79% and 47.49% respectively.

Market capitalization decreased in both Malawi Kwacha and United States Dollar terms from MK1,357,347.23 million (US\$1,859.77 million) in October 2018 to MK1,188,088.65 million (US\$1,627.86 million) in November 2018.

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 November 2018 was recorded at 0.71%, higher than 0.47% registered in October 2018. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.16% in November 2018 while during the previous month, October 2018, liquidity was at 0.12%.

2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Five counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
PCL	MWPCL0010053	Press Corporation plc	8.57 ▲
NBS	MWNBS0010105	NBS Bank plc	4.90 ▲
BHL	MWBHL0010029	Blantyre Hotels plc	3.34 ▲
NBM	MWNBM0010074	National Bank of Malawi plc	0.01 ▲
NITL	MWNITL010091	National Investment Trust plc	0.01 ▲

B. Top Losers: Five counters registered a capital loss

MSE CODE	ISIN	COUNTER NAME	% LOSS
FMBCH	MWFMB00101138	FMB Capital Holdings plc	-49.64
MPICO	MWMPI0010116	MPICO plc	-35.90
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	-2.36
NICO	MWNICO010014	NICO Holdings plc	-1.98
TNM	MWTNM0010127	Telekom Networks Malawi plc	-0.04

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
TNM	MWTNM0010126	Telekom Networks Malawi plc	78,541,079	71.53
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	10,037,778	9.14
MPICO	MWMPI0010116	MPICO plc	8,076,837	7.36
NBS	MWNBS0010105	NBS Bank plc	3,700,169	3.37
NITL	MWNITL010091	National Investment Trust plc	3,022,290	2.75

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
PCL	MWPCL0010053	Press Corporation plc	3,297,643,680.00	39.12
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	2,007,554,100.00	23.82
TNM	MWTNM0010126	Telekom Networks Malawi plc	1,926,956,443.00	22.86
OMU	ZAE000255360	Old Mutual Limited	564,568,940.25	6.70
NITL	MWNITL010091	National Investment Trust plc	259,916,740.00	3.08

3. COMPANY TRADING PERFORMANCE



SYMBOL SUMMARY

Page: Page 1 of 1
 Print Date: 3/12/2018
 Print Time: 03:20:52 pm

Exchange: MSE
 From Date: 1/11/2018
 Market: MAINBOARD
 To Date: 30/11/2018

Symbol	Open	High	Low	Close	Volume	Value	Trades Count	Market Capitalization
BHL	12.58	13.00	12.58	13.00	433,959	5,593,032.00	13	10,916,759,165
FMBCH	138.99	138.99	70.00	70.00	2,602,083	183,820,688.00	35	163,537,500,000
ILLOVO	204.84	204.84	199.00	200.00	10,037,778	2,007,554,500.00	21	142,688,878,200
MPICO	19.50	19.50	12.50	12.50	8,076,828	104,802,220.50	18	28,725,593,250
NBM	332.00	332.02	332.00	332.02	69,920	23,213,741.00	17	155,030,675,651
NBS	10.01	10.50	10.01	10.50	3,700,169	38,453,715.18	30	30,561,020,238
NICO	50.99	50.99	49.98	49.98	113,745	5,695,185.00	7	52,131,193,978
NITL	85.99	86.00	85.99	86.00	3,022,290	259,916,740.00	16	11,610,000,000
OMU	2,513.25	2,513.25	2,513.25	2,513.25	224,637	564,569,034.75	26	14,647,228,540
PCL	1,050.00	1,150.00	1,050.00	1,140.00	2,909,312	3,297,643,680.00	21	137,091,634,800
STANDARD	670.00	670.00	670.00	670.00	1,961	1,313,870.00	2	157,227,668,540
SUNBIRD	145.00	145.00	145.00	145.00	70,000	10,150,000.00	7	37,929,474,100
TNM	24.51	26.95	22.00	24.50	78,541,079	1,926,956,443.00	98	245,991,025,000

4. BOND TRADING SUMMARY

BOND	MATURITY DATE	COUPON FREQUENCY	COUPON RATE (%)	NOMINAL VALUE (MK'MN)
TN02YR31082019	31 August 2019	Bi-annual	11	20,000.00
TN02YR250120	25 January 2020	Bi-annual	10	5,000.00
TN03YR220221	22 February 2021	Bi-annual	11	3,000.00
NFBN21062021	21 June 2021	Quarterly	18.5	50.00
NFBN2162021	21 June 2021	Quarterly	18.5	1,000.00
NFBN28062021	28 June 2021	Quarterly	17	3,000.00
Total Outstanding Debt Securities				32,050.00

There were no trades on the three Treasury Notes and the New Finance Bank Medium Term Notes.

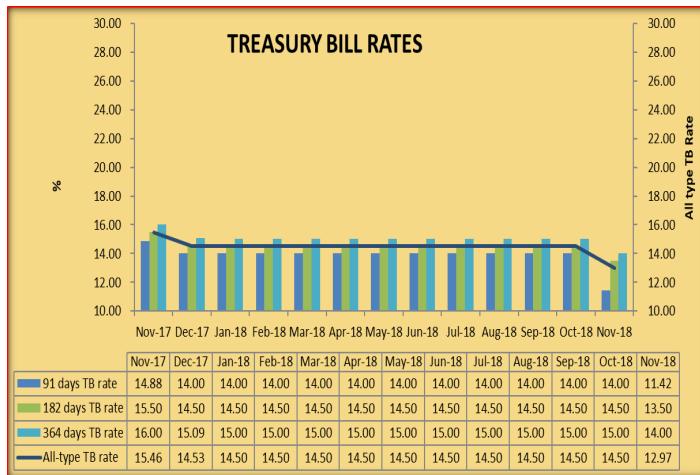
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

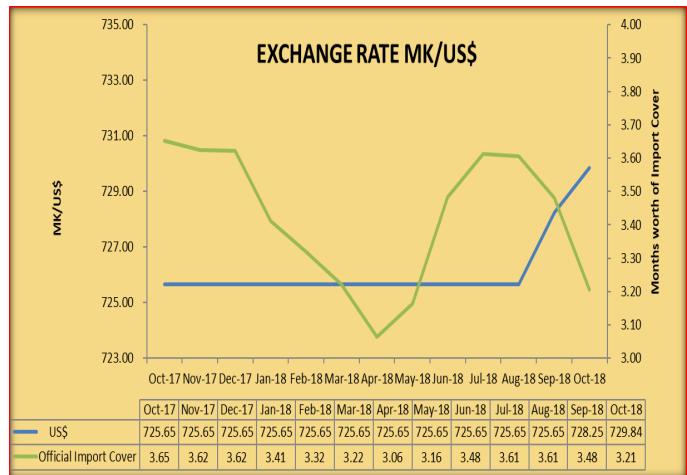
Interest Rates

During the period under review, the yields on the 91 days T-bill, the 182 days T-bill and the 364 days T-bill fell by 2.5801% from 14.0000% to 11.4199%, 1.0000% from 14.5000% to 13.5000% and 1.0000% from 15.0000% to 14.0000% respectively.



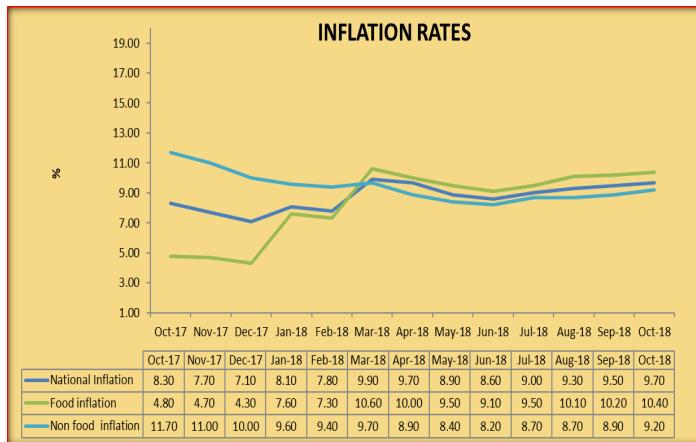
Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. Gross official reserves marginally declined from at 3.48 months worth of import cover on 30 September 2018 to 3.21 months worth of import cover on 31 October 2018.



Inflation Rates

Headline inflation inched upwards by 0.2 percentage points from 9.5% in September, 2018 to 9.7% in October, 2018.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 25 and 26 September, 2018 maintained the policy rate at 16%.





MALAWI STOCK EXCHANGE

We have gone

Digital



Online from
7th June, 2018

MSE Malawi's global portal.

What you should
Expect



- Only dematerialized shares will be traded on the MSE
- Safe from theft, damage, forgery and loss
- No limit on the number of shares that can be traded on the MSE
- Quicker transaction processes due to reduced paperwork
- Shorter settlement period
- More trading hours



Contact your Stockbroker to dematerialize your share certificates and start trading on the Automated Trading System.

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

Alliance Stockbrokers Limited

Old Air Malawi Building

P.O Box 510

Blantyre

Tel: +265 1 830 704

Email: asl@aclmw.com

Cedar Capital Ltd (Formerly African Alliance Securities)

4th Floor, Livingstone Towers

P.O Box 3340

Blantyre

Tel: +265 1 831 995

Fax: +265 1 831 859

Email: kamphonia@cedarcapital.mw

Continental Capital Limited

1st Floor, Unit House

P.O Box 1444

Blantyre

Tel: +265 1 830 638

Email: capital@continental.mw

capital@cdh-malawi.com