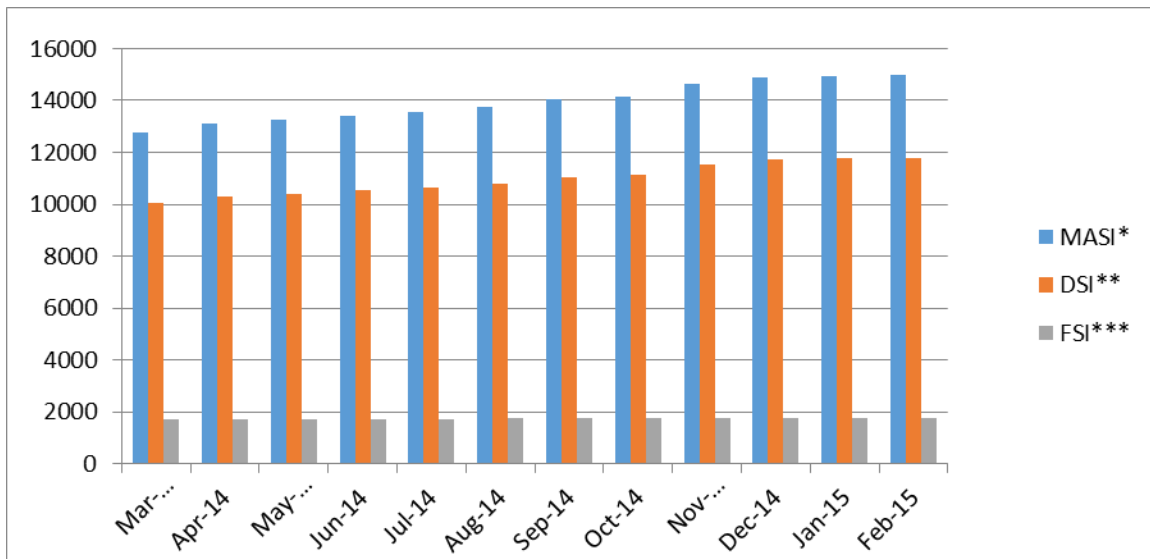




MALAWI STOCK EXCHANGE

## MONTHLY MARKET REPORT

### FEBRUARY 2015



**MALAWI STOCK EXCHANGE**

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# MALAWI STOCK EXCHANGE LIMITED

## MONTHLY MARKET PERFORMANCE REPORT FOR FEBRUARY 2015

### 1.0 TRADING SUMMARY

The Market registered a monthly return on index of **0.19%** (**3.50%** in US Dollar terms) to close the month of February at 14971.01 points compared to 14942.70 points in January 2015.

It however recorded a decrease in both traded value and volume compared to the previous month of January 2015 despite the demand on most counters.

#### Index Levels and Return – FEBRUARY 2015

INDEX	Feb. 2014	Jan. 2015	Feb. 2015	Monthly % Δ	YTD % Δ
<b>MASI</b>	12661.60	14942.70	14971.01	<b>0.189 ▲</b>	<b>0.570 ▲</b>
<b>DSI</b>	9954.42	11765.26	11787.78	<b>0.191 ▲</b>	<b>0.575 ▲</b>
<b>FSI</b>	1709.34	1762.13	1762.13	<b>0.00 ■</b>	<b>0.14 ▲</b>

#### Trading Statistics – FEBRUARY 2015

	FEBRUARY 2015	JANUARY 2015	% Δ
Traded Value (MK)	139,872,357.88	306,518,657.27	<b>54.37 ▼</b>
Traded Value (US\$)	315,425.75	671,125.33	<b>53.00 ▼</b>
Traded Vol. Shares	7,495,950	13,253,003	<b>43.44 ▼</b>
No. of Transactions	112	115	<b>2.61 ▼</b>
Index Close (MASI)	14971.01	14942.70	<b>0.189▲</b>
Index Close (DSI)	11787.78	11765.26	<b>0.191 ▲</b>
Listed companies	14	14	
Traded Companies	14	12	
Not Traded Companies	00	02	
<b>Gainers</b>	<b>04</b>	<b>05</b>	
<b>Decliners</b>	<b>00</b>	<b>00</b>	
Unchanged	10	07	

### 2.0 MARKET PERFORMANCE

#### 2.1 Trade Performance Analysis

A total of 7,495,950 [23,478,741 Feb. 2014] shares were transacted in the month of February 2015 at a total consideration of MK139,872,357.88(US\$315,425.75) [MK589,751,300.92(US\$1,389,384.74), Feb. 2014] in 112 trades. In the previous month of January 2015, the market

transacted a total of 13,253,003 shares at a total consideration of MK306,518,657.27(US\$671,125.33) in 115 trades. This reflects a **43.44%** decrease in terms of share volume and **54.37%** (**53.00%** in US Dollar terms) decrease in share value.

The market registered an average daily volume of 356,950 shares in February 2015 compared to 631,095 shares in January 2015.

The average daily turnover for February 2015 was MK6,660,588.47 (US\$15,020.27) compared to MK14,596,126.54 (US\$31,958.35) for the previous month, reflecting a decrease of **54.37%** (**53.00%** in US Dollar terms).

**TABLE 1: TRADING SUMMARY FOR FEBRUARY 2015**

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
January	13,253,003	306,518,657.27	671,125.33
February	7,495,950	139,872,357.88	315,425.75
<b>% CHANGE</b>	<b>43.44 ▼</b>	<b>54.37 ▼</b>	<b>53.00 ▼</b>
<b>YTD 2015</b>	<b>20,748,953</b>	<b>446,391,015.15</b>	<b>986,551</b>

## 2.2 Market Capitalisation and Index

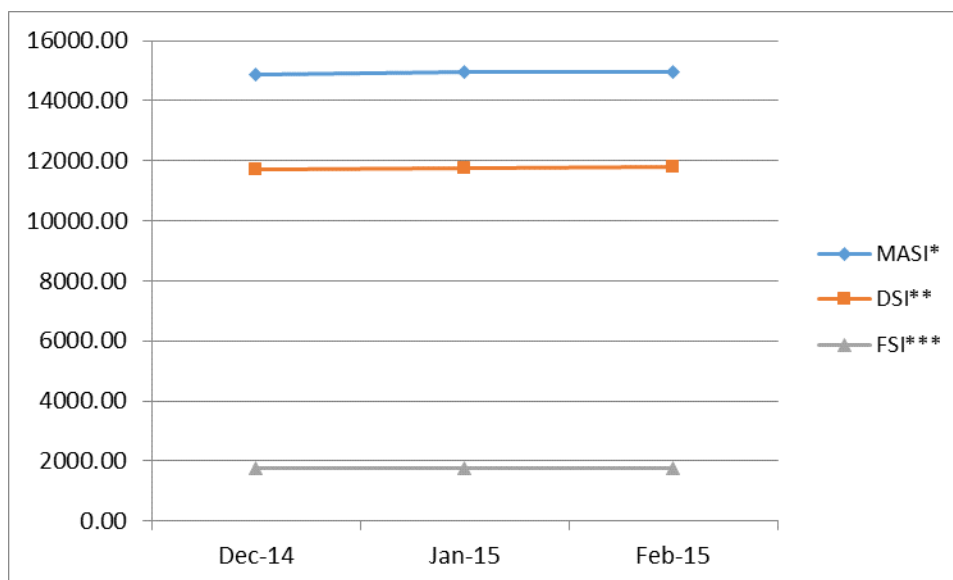
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 14942.70 points registered on 31<sup>st</sup> January 2015 to 14971.01 points registered on 27<sup>th</sup> February 2015, giving a monthly return on index of **0.189%**, (**3.50% ▲** in US\$ terms). The price gains registered by four counters, BHL, MPICO, NBS and SUNBIRD were the major drivers resulting into an increase in the Domestic Share index by **0.191%** (**3.51%▲** in US\$ terms) from 11765.26 points to 11787.78 points. The Foreign Share index was steady at 1762.13 points.

**Table 2: Market Capitalization and Index – February 2015**

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
January	7,510,896.21	16,629.0058	638,355.13	1,413.3082	14942.70
February	7,512,105.86	17,181.7989	639,564.77	1,462.8219	14971.01

\* Excludes non-Malawi register Old Mutual plc shares

**FIG 1: MSE INDICES – February 2015**



### 2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP\***) in February was recorded at 0.02% compared to 0.05% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.005% in February 2015 compared to 0.012% in January 2015.

**Table 3: Market Liquidity – February 2015**

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
January	307.67	26.149	0.01256	0.0480	0.075249
February	307.72	26.199	0.00573	0.0219	0.042561

\* Excludes non-Malawi register Old Mutual plc shares

## 2.4 Company Trading Performance

### Top Gainers

MSE CODE	COUNTER NAME	% GAIN
MPICO	MPICO Limited	22.14
BHL	Blantyre Hotels Limited	1.25
SUNBIRD	Sunbird tourism Limited	1.25
NBS	NBS Bank	0.67

Four counters registered a capital gain in February 2015.

### Top Four Traded Stocks by Volume- February 2015

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
MPICO	MPICO Limited	3,389,918	45.22
TNM	TNM	2,569,312	34.28
NBS	NBS Bank	524,304	6.99
NITL	National Investment Trust Limited	399,580	5.33

### Top Four Traded Stocks by Value- February 2015

MSE CODE	COUNTER NAME	MK	% OF TOTAL
ILLOVO	Illovo Sugar Malawi	42,464,828.00	30.36
NITL	National Investment Trust Limited	16,802,339.00	12.01
MPICO	MPICO Limited	16,073,819.80	11.49
NBS	NBS Bank	15,782,477.90	11.28

## Company Trading Statistics- February 2015

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	800	810	1.25%	11,000	89,100.00
FMB	1900	1900	0.00%	89,325	1,697,175.00
ILLOVO	29420	29420	0.00%	144,340	42,464,828.00
MPICO	402	491	22.14%	3,389,918	16,073,819.80
NBM	24100	24100	0.00%	49,097	11,832,377.00
NBS	3000	3020	0.67%	524,304	15,782,477.90
NICO	3250	3250	0.00%	104,608	3,399,760.00
NITL	4205	4205	0.00%	399,580	16,802,339.00
PCL	45360	45360	0.00%	805	365,164.10
REAL	230	230	0.00%	172,480	396,704.00
STANDARD BANK	42500	42500	0.00%	33,445	14,214,125.00
SUNBIRD	800	810	1.25%	3,300	26,730.00
TNM	409	409	0.00%	2,569,312	10,508,486.08
OML	140200	140200	0.00%	4,436	6,219,272.00
				<b>7,495,950</b>	<b>139,872,357.88</b>

### 3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha gained against all major trading currencies between 31<sup>st</sup> January 2015 and 28<sup>th</sup> February, 2015 as shown in Table 4 below;

**TABLE 4: MONTHLY EXCHANGE RATES: Jan. 2015-Feb. 2015**

CURRENCY	END JAN' 2015	END FEB' 2015	% CHANGE
MK/US Dollar	451.6744	437.2130	3.31%
MK/GBP	677.0222	667.3233	1.45%
MK/ZAR	39.1947	37.9615	3.25%
MK/EUR	508.9833	488.8197	4.12%

Source: National Bank of Malawi.

- 3.2 The headline inflation for January 2015 stood at 21.2% down by 0.3% on account of a decrease in both food and non-food inflation between December 2014 and January 2015.

The urban and rural inflation rates for the month of January 2015 were 24.5% and 20.6% respectively.

### Key Economic Indicators- February 2015

	Feb. 2014	Jan. 2015	Feb. 2015
Inflation Rate	24.6	21.2	21.2(Jan'15)
RBM Bank Rate	25.0	25.0	25.0
Prime Rate	36.0	37.0	37.0
91 Days T-Bill	15.68	26.77	26.65
182 Days T-Bill	17.15	27.00	26.99
364 Days T-Bill	19.19	26.99	26.89
Import Cover(Months)	2.43	3.40	3.48

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

The 91, 182 and 364 days treasury bills fell by 0.45%, 0.04% and 0.67% respectively, between January 2015 and February 2015.

Import cover improved by 2.35% from 3.40 months on 31<sup>st</sup> January, 2015 to 3.48 months on 27<sup>th</sup> February, 2015.