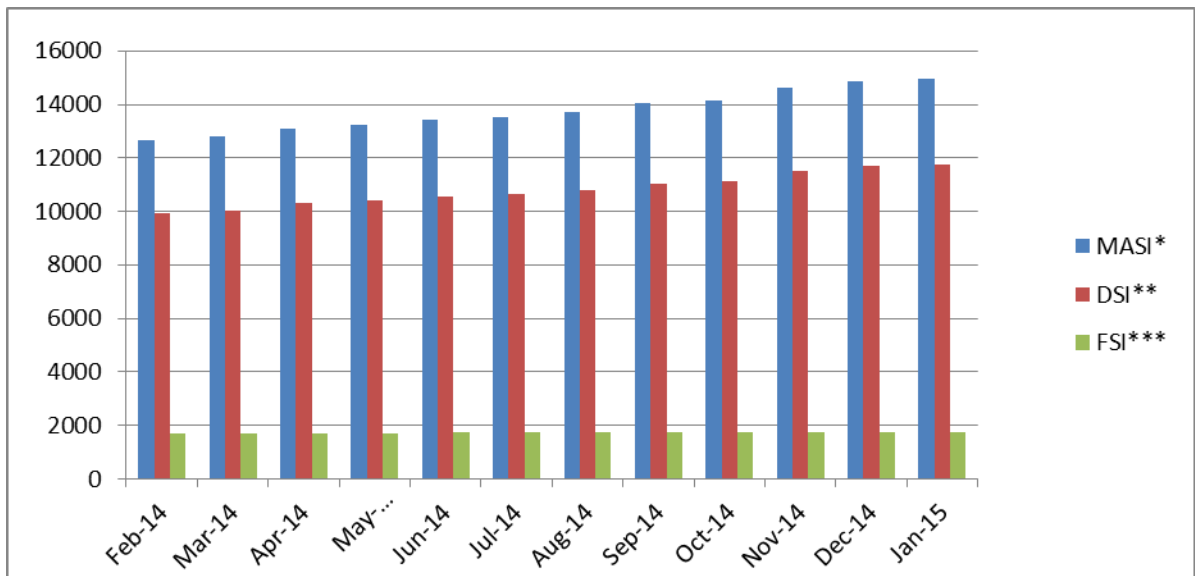




MALAWI STOCK EXCHANGE

## MONTHLY MARKET REPORT

### JANUARY 2015



**MALAWI STOCK EXCHANGE**

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# MALAWI STOCK EXCHANGE LIMITED

## MONTHLY MARKET PERFORMANCE REPORT FOR JANUARY 2015

### 1.0 TRADING SUMMARY

The Market registered a monthly return on index of **0.38%** (5.75% in US Dollar terms) to close the month of January at 14942.70 points compared to 14886.12 points in December 2014.

The market registered an increase in traded volume and value of 82.67% and 118.30% (107.38% in USD terms) compared to January 2014, despite registering a decrease in both traded value and volume compared to the previous month of December 2014.

#### Index Levels and Return – JANUARY 2015

INDEX	Jan. 2014	Dec. 2014	Jan. 2015	Monthly % $\Delta$	YTD % $\Delta$
<b>MASI</b>	12416.60	14886.12	14942.70	<b>0.380 <math>\blacktriangle</math></b>	<b>0.380 <math>\blacktriangle</math></b>
<b>DSI</b>	9759.96	11720.43	11765.26	<b>0.382 <math>\blacktriangle</math></b>	<b>0.382 <math>\blacktriangle</math></b>
<b>FSI</b>	1696.77	1759.61	1762.13	<b>0.14 <math>\blacktriangle</math></b>	<b>0.14 <math>\blacktriangle</math></b>

#### Trading Statistics – JANUARY 2015

	JANUARY 2015	DECEMBER 2014	% $\Delta$
Traded Value (MK)	306,518,657.27	397,617,507.64	<b>22.91 <math>\blacktriangledown</math></b>
Traded Value (US\$)	671,125.33	1,298,845.49	<b>48.33 <math>\blacktriangledown</math></b>
Traded Vol. Shares	13,253,003	26,293,400	<b>49.60 <math>\blacktriangledown</math></b>
No. of Transactions	115	152	<b>24.34 <math>\blacktriangledown</math></b>
Index Close (MASI)	14942.70	14886.12	<b>0.380 <math>\blacktriangle</math></b>
Index Close (DSI)	11765.26	11720.43	<b>0.382 <math>\blacktriangle</math></b>
Listed companies	14	14	
Traded Companies	12	13	
Not Traded Companies	02	01	
<b>Gainers</b>	<b>05</b>	<b>05</b>	
<b>Decliners</b>	<b>00</b>	<b>00</b>	
Unchanged	07	08	

### 2.0 MARKET PERFORMANCE

#### 2.1 Trade Performance Analysis

A total of 13,253,003 [7,255,289, Jan. 2014] shares were transacted in the month of January 2015 at a total consideration of

MK306,518,657.27(US\$671,125.33) [MK140,412,156.07(US\$323,615.98), Jan. 2014] in 115 trades. In the previous month, December 2014, the market transacted a total of 26,293,400 shares at a total consideration of MK397,617,507.64(US\$1,298,845.49) in 152 trades. This reflects a **49.60%** decrease in terms of share volume and **22.91%** (**48.33%** in US Dollar terms) decrease in share value.

The market registered an average daily volume of 631,095 shares in January 2015 compared to 1,252,067 shares in December 2014.

The average daily turnover for January 2015 was MK14,596,126.54 (US\$31,958.35) compared to MK18,934,167.03 (US\$61,849.79) for the previous month, reflecting a decrease of **22.91%** (**48.33%** in US Dollar terms).

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

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
December	26,293,400	397,617,507.64	1,298,845.49
January	13,253,003	306,518,657.27	671,125.33
<b>% CHANGE</b>	<b>49.60 ▼</b>	<b>22.91 ▼</b>	<b>48.33 ▼</b>

## 2.2 Market Capitalisation and Index

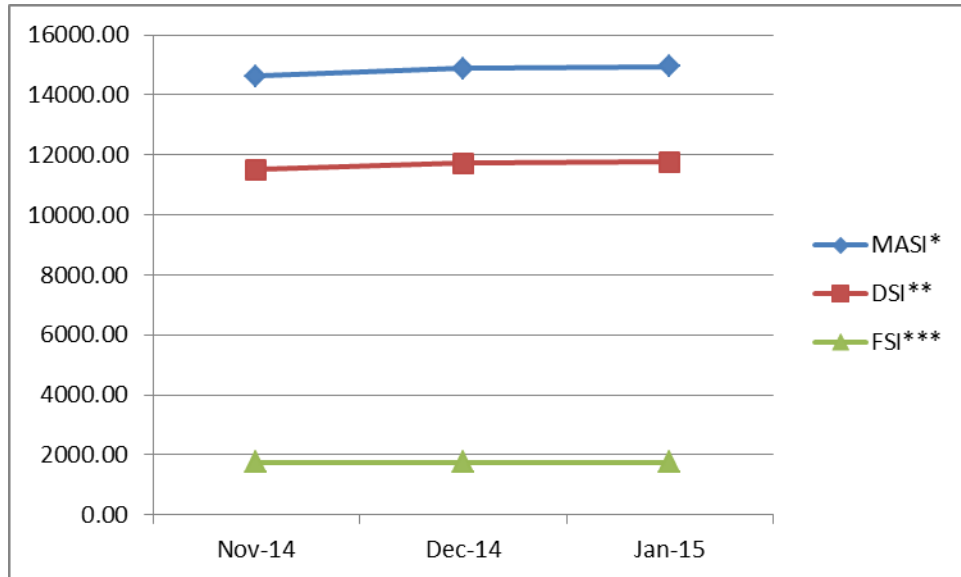
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 14886.12 points registered on 31<sup>st</sup> December 2014 to 14942.70 points registered on 31<sup>st</sup> January 2015, giving a monthly return on index of **0.38%**, (**5.746% ▲** in US\$ terms). The price gains registered by five counters, FMB, NBS, NITL, PCL and OML were the major drivers resulting into an increase in both the Domestic Share and Foreign Share Indices by **0.38%** (**5.749%▲** in US\$ terms) from 11720.43 points to 11765.26 points and by **0.14%** (**5.50%▲** in US\$ terms) from 1759.61 points to 1762.13 points respectively.

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

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
December	7,489,363.22	15,739.8753	638,201.18	1,341.2632	14886.12
January	7,510,896.21	16,629.0058	638,355.13	1,413.3082	14942.70

\* Excludes non-Malawi register Old Mutual plc shares

**FIG 1: MSE INDICES – January 2015**



### 2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP\***) in January was recorded at 0.05% compared to 0.10% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.01% in January 2015 compared to 0.03% in December 2014.

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

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
December	306.79	26.143	0.02564	0.0981	0.149292
January	307.67	26.149	0.01256	0.0480	0.075249

\* Excludes non-Malawi register Old Mutual plc shares

## 2.4 Company Trading Performance

### Top Gainers

MSE CODE	COUNTER NAME	% GAIN
NBS	NBS Bank	11.11
NITL	National Investment Trust Limited	1.33
FMB	FMB Bank	0.21
OML	Old Mutual plc	0.14
PCL	Press Corporation Limited	0.11

Five counters registered a capital gain in January 2015.

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

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	7,190,846	54.26
MPICO	MPICO Limited	1,578,959	11.91
NICO	NICO Holdings Limited	1,534,950	11.58
FMB	FMB Bank	1,236,211	9.33

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

MSE CODE	COUNTER NAME	MK	% OF TOTAL
STANDARD BANK	Standard Bank Malawi	79,333,050.00	25.88
NBM	National Bank of Malawi	54,111,248.00	17.65
NICO	NICO Holdings Limited	49,885,875.00	16.27
TNM	TNM	29,410,560.14	9.60

## Company Trading Statistics- January 2015

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	800	800	0.00%	-	-
FMB	1896	1900	0.21%	1,236,211	23,439,600.56
ILLOVO	29420	29420	0.00%	73,130	21,514,846.00
MPICO	402	402	0.00%	1,578,959	6,347,415.18
NBM	24100	24100	0.00%	224,528	54,111,248.00
NBS	2700	3000	11.11%	960,570	28,079,473.79
NICO	3250	3250	0.00%	1,534,950	49,885,875.00
NITL	4150	4205	1.33%	166,000	6,966,796.00
PCL	45310	45360	0.11%	8,216	3,723,369.60
REAL	230	230	0.00%	90,430	207,989.00
STANDARD BANK	42500	42500	0.00%	186,666	79,333,050.00
SUNBIRD	800	800	0.00%	-	-
TNM	409	409	0.00%	7,190,846	29,410,560.14
OML	140000	140200	0.14%	2,497	3,498,434.00
				<b>13,253,003</b>	<b>306,518,657.27</b>

### 3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha gained against all major trading currencies between 31<sup>st</sup> December 2014 and 31<sup>st</sup> January, 2015 as shown in Table 4 below;

**TABLE 4: MONTHLY EXCHANGE RATES: Dec 2014-Jan. 2015**

CURRENCY	END DEC' 2014	END JAN' 2015	% CHANGE
MK/US Dollar	475.8210	451.6744	5.35%
MK/GBP	738.4398	677.0222	9.07%
MK/ZAR	41.0210	39.1947	4.66%
MK/EUR	575.4513	508.9833	13.06%

Source: National Bank of Malawi.

- 3.2 The annual headline inflation for 2014 was 23.8% compared to 27.3% for 2013. Inflation for the month of December 2014 stood at 24.2%, up by 0.5% on account of an increase in both food and non-food inflation between November 2014 and December 2014.

The urban and rural inflation rates for the month of December 2014 were 28.6% and 22.0% respectively.

### Key Economic Indicators- January 2015

	Jan. 2014	Dec. 2014	Jan. 2015
Inflation Rate	25.9	24.2	24.2(Dec)
RBM Bank Rate	25.0	25.0	25.0
Prime Rate	40.0	37.0	37.0
91 Days T-Bill	22.87	26.96	26.77
182 Days T-Bill	24.66	26.87	27.00
364 Days T-Bill	25.03	27.02	26.99
Import Cover(Months)	2.13	3.07	3.40

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

The 182 days treasury bill inched by 0.48% whilst the 91 days and 364 days treasury bills decreased by 0.70% and 0.11% respectively, between December 2014 and January 2015.

Import cover improved by 10.75% from 3.07 months on 31<sup>st</sup> December, 2014 to 3.40 months on 31<sup>st</sup> January, 2015.