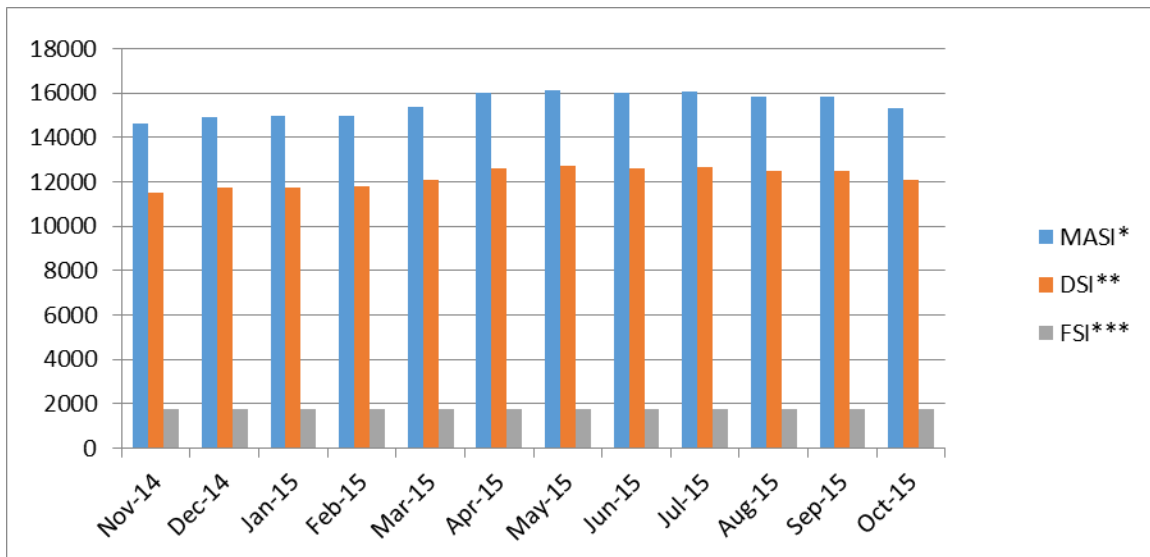




MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

OCTOBER 2015



MALAWI STOCK EXCHANGE

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MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR OCTOBER 2015

1.0 TRADING SUMMARY

The Market recorded a negative monthly return on index of **3.11%** (3.00% YTD) to close the month of October 2015 at 15332.70 points compared to 15824.68 points in September 2015.

There were no trades on the three government bonds whilst Equity trading decreased in both traded value and volume compared to September 2015.

Index Levels and Return – OCTOBER 2015

INDEX	Oct. 2014	Sept. 2015	Oct. 2015	Monthly % Δ	YTD % Δ
MASI	14127.41	15824.68	15332.70	3.11 ▼	3.00 ▲
DSI	11118.15	12466.81	12075.48	3.14 ▼	3.03 ▲
FSI	1742.21	1762.13	1762.13	0.00 ■	0.14 ▲

Trading Statistics – OCTOBER 2015

	OCTOBER 2015	SEPTEMBER 2015	% Δ
Traded Value (MK)	308,215,195.79	5,166,414,357.76	94.03 ▼
Traded Value (US\$)	556,886.07	9,201,213.62	93.95 ▼
Traded Vol. Shares	14,725,375	157,121,402	90.63 ▼
No. of Transactions	90	88	2.27 ▲
Index Close (MASI)	15332.70	15824.68	3.11 ▼
Index close (DSI)	12075.48	12466.81	3.14 ▼
Index close (FSI)	1762.13	1762.13	0.00 ■
Listed companies	14	14	
Traded Companies	13	12	
Not Traded Companies	01	02	
Gainers	01	03	
Decliners	04	03	
Unchanged	08	06	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

In the month of October, 2015 a total of 14,725,375 [24,592,809 in October 2014] shares were transacted at a total consideration of

MK308,215,195.79(US\$556,886.07) [MK382,530,470.27(US\$879,348.62) in October 2014] in 90 trades. In the previous month, September 2015, the market transacted a total of 157,121,402 shares at a total consideration of MK5,166,414,357.76(US\$9,201,213.62) in 88 trades. This reflects a **-90.63%** decrease in terms of share volume and **-94.03%** (**-93.95%** in US Dollar terms) in share value. The decrease in volume and value was mainly driven by a NICO Holdings Limited block trade between related parties and a third party in September 2015.

The market registered an average daily volume of 701,208 shares in October 2015 compared to 7,481,972 shares in September 2015.

The average daily turnover for October 2015 was MK14,676,914.09 (US\$26,518.38) compared to MK246,019,731.32 (US\$438,153.03) for the previous month, reflecting a decrease of **-94.03%** (**-93.95%** in US Dollar terms).

TABLE 1 : TRADING SUMMARY FOR SEPTEMBER 2015 – OCTOBER 2015

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
September	157,121,402	5,166,414,357.76	9,201,213.62
October	14,725,375	308,215,195.79	556,886.07
% CHANGE	90.63 ▼	94.03 ▼	93.95 ▼

2.2 Market Capitalisation and Index

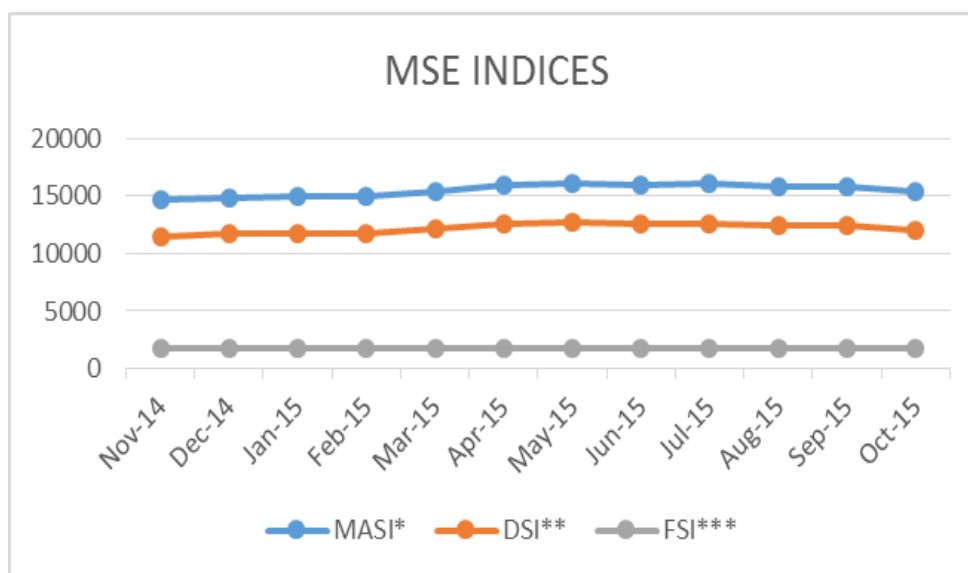
The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 15824.68 points registered on 30th September 2015 to 15332.70 points registered on 31st October 2015, giving a monthly return on index of **-3.11%**, (**-3.88%** in US\$ terms). The price gain registered by Sunbird was not enough to offset share price losses registered by ILLOVO, NBS, NITL and TNM resulting into a decrease in the Domestic Share Index by **-3.14%** points from 12466.81 points to 12075.48 points. The Foreign Share Index was steady at 1762.13 points.

Table 2: Market Capitalization and Index – October 2015

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
September	7,576,036.66	13,641.9381	676,034.98	1,217.3156	15824.68
October	7,555,019.31	13,496.1477	655,017.63	1,170.1115	15332.70

* Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – October 2015



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***) in October was recorded at 0.05% compared to 0.76% 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% compared to 0.17% recorded in the previous month.

Table 3: Market Liquidity – October 2015

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
September	244.53	21.820	0.16676	0.7642	0.892122
October	243.85	21.142	0.00995	0.0471	0.083609

* Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
SUNBIRD	Sunbird Tourism Limited	10.45 ▲

One counter registered a capital gain in October 2015.

Top Decliners

MSE CODE	COUNTER NAME	% LOSS
ILLOVO	Ilovo Sugar Malawi	9.88 ▼
NITL	National Investments Trust Limited	8.33 ▼
NBS	NBS Bank	1.33 ▼
TNM	TNM	0.15 ▼

Four counters registered capital losses in October 2015

Top Four Traded Stocks by Volume- October 2015

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
MPICO	MPICO Limited	5,941,589	40.35
FMB	FMB Bank	3,608,795	24.51
NICO	NICO Holdings Ltd	3,137,161	21.30
TNM	TNM	1,132,529	7.69

Top Four Traded Stocks by Value- October 2015

MSE CODE	COUNTER NAME	MK	% OF TOTAL
NICO	NICO Holdings Ltd	87,840,508.00	28.50
MPICO	MPICO Limited	53,474,301.00	17.35
FMB	FMB Bank	50,523,480.00	16.39
NBM	National Bank of Malawi	45,716,052.00	14.83

Company Trading Statistics- October 2015

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	960	960	0.00%	-	-
FMB	1400	1400	0.00%	3,608,795	50,523,480.00
ILLOVO	28850	26000	-9.88%	13,500	3,510,000.00
MPICO	900	900	0.00%	5,941,589	53,474,301.00
NBM	25800	25800	0.00%	177,194	45,716,052.00
NBS	2635	2600	-1.33%	172,752	4,509,679.85
NICO	2800	2800	0.00%	3,137,161	87,840,508.00
NITL	6000	5500	-8.33%	163,809	9,193,495.00
PCL	53500	53500	0.00%	13,000	6,955,000.00
REAL	200	200	0.00%	273,240	546,480.00
STANDARD BANK	44000	44000	0.00%	60,700	26,708,000.00
SUNBIRD	2000	2209	10.45%	23,300	514,757.00
TNM	687	686	-0.15%	1,132,529	7,779,430.94
OML	140200	140200	0.00%	7,806	10,944,012.00
				14,725,375	308,215,195.79

3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha appreciated against the South African rand (ZAR) and Euro (EUR) but depreciated against United States Dollar (US\$) and the British Pound (GBP) between 30th September and 31st October, 2015 as shown in Table 4 below;

TABLE 4: MONTHLY EXCHANGE RATES: Sept. 2015-OCT. 2015

CURRENCY	END SEPT' 2015	END OCT' 2015	% CHANGE
MK/US Dollar	555.3490	559.7908	-0.79%
MK/GBP	842.1151	857.0826	-1.75%
MK/ZAR	41.2811	40.5471	1.81%
MK/EUR	624.5631	615.6282	1.45%

Source: National Bank of Malawi

- 3.2 The year on year headline inflation stood at 24.1% in September 2015 up by 1.1% from 23% in August 2015 on account of an increase in both food and non-food inflation from 26.8% to 27.2% and 19.9% to 21.3% in August 2015 and September 2015 respectively.

The urban and rural inflation rates for the month of September 2015 were 19.6% and 27.4% respectively.

- 3.3 Key economic indicators for October 2015

	October 2014	September 2015	October 2015
Inflation Rate	23.3	24.1	24.1(Sept)
Policy Rate	25.0	25.0	25.0
Prime Rate	35.0	32.0	32.0
91 Days T-Bill	20.17	19.5174	
182 Days T-Bill	20.50		
364 Days T-Bill	20.50	22.9824	
Import Cover(Months)	2.24	3.08	3.09

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

Import cover inched upwards by 0.32% from 3.08 months on 30th September to 3.09 months on 25th October, 2015.