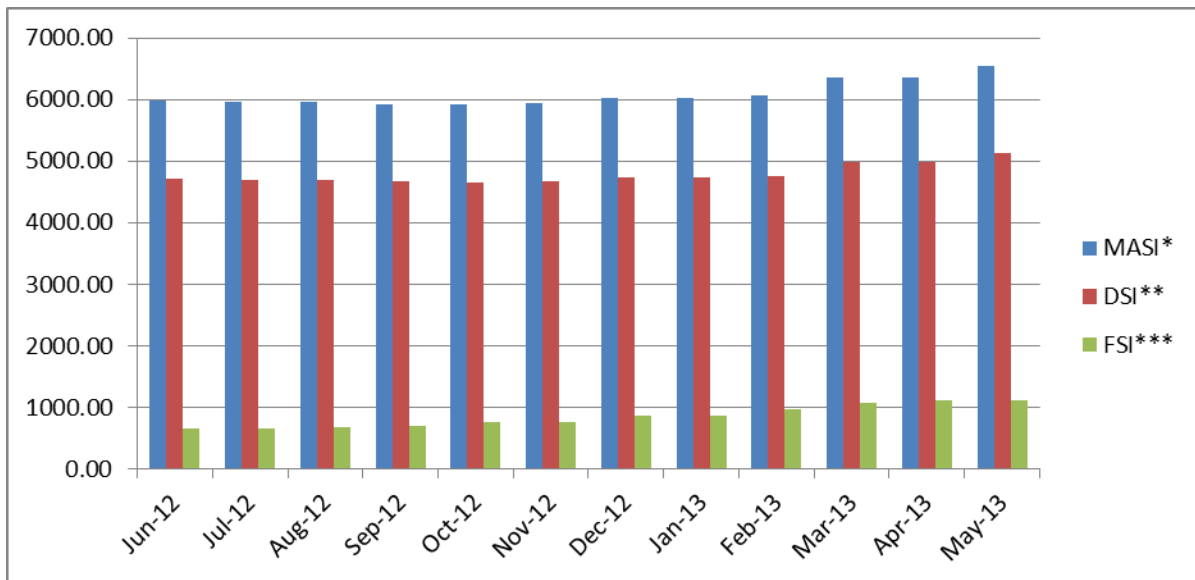




MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

MAY 2013



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MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR MAY 2013

1.0 TRADING SUMMARY

The Market has broken its record high since inception of 6396.64 points attained on 14th November 2008 to close the month of May at 6552.53 points giving a monthly return on index of 3.02%(8.93% YTD) and an increase in both total value traded and volume compared to the previous month. The Malawi All Share Index closed the month of May 2013 at 6552.53 points compared to 6360.60 points in April 2013.

Index Levels and Return – MAY 2013

INDEX	May 2012	Apr. 2013	May 2013	Monthly % Δ	YTD % Δ
MASI	5886.82	6360.60	6552.53	3.02 ▲	8.93 ▲
DSI	4643.08	4978.43	5130.97	3.06 ▲	8.58 ▲
FSI	628.43	1106.04	1113.58	0.68 ▲	30.29 ▲

Trading Statistics – MAY 2013

	MAY 2013		APRIL 2013	% Δ
Traded Value (MK)	1,617,542,291.96		381,929,273.80	323.52
Traded Value (US\$)	4,282,486.69		934,205.18	358.41
Traded Vol. Shares	917,047,544		72,164,760	1170.77
No. of Transactions	74		92	-19.57
Index Close (MASI)	6552.53		6360.60	3.02
Index Close (DSI)	5130.97		4978.43	3.06
Listed companies	14		14	
Traded Companies	12		11	
Not Traded Companies	02		03	
Gainers	07		04	
Decliners	00		02	
Unchanged	07		08	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

From 1st May to 31st May, 2013 a total of 917,047,544 [25,605,520 in May 2012] shares were transacted at a total consideration of MK1,617,542,291.96(US\$4,282,486.69) [MK159,794,767.35(US\$667,625.13) in May 2012] in 74 trades. In the previous month, April 2013, the market

transacted a total of 72,164,760 shares at a total consideration of MK381,929,273.80 (US\$934,205.18) in 92 trades. This reflects a 1170.77% increase in terms of share volume and 323.52% (358.41% in US Dollar terms) increase in share value.

The market registered an average daily volume of 43,668,931 shares in May 2013 compared to 3,436,417 shares in April 2013.

The average daily turnover for May 2013 was MK77,025,823.43 (US\$203,927.94) compared to MK18,187,108.28 (US\$44,485.96) for the previous month, reflecting an increase of 323.52% (358.41% in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR APRIL 2013 – MAY 2013

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
April	72,164,760	381,929,273.80	934,205.18
May	917,047,544	1,617,542,291.96	4,282,486.69
% CHANGE	1170.77 ▲	323.52 ▲	358.41 ▲

2.2 Market Capitalisation and Index

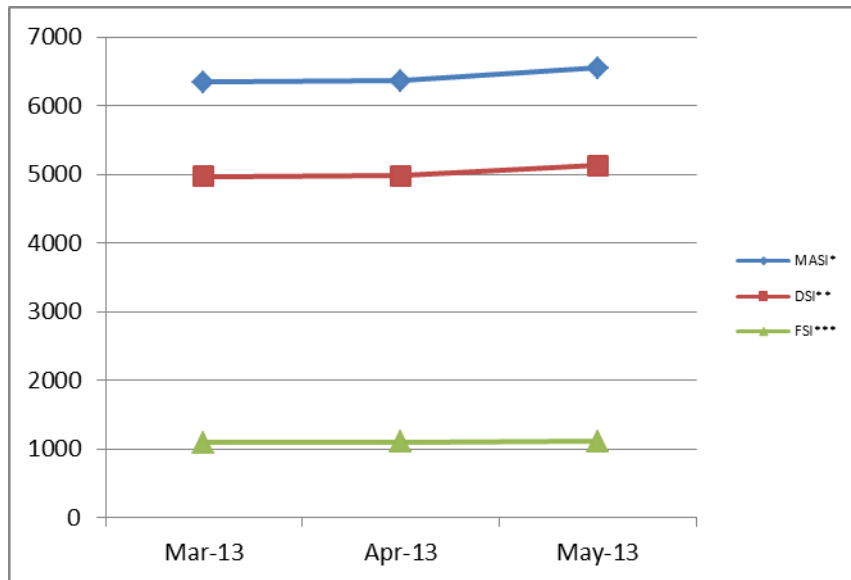
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 6360.60 points registered on 30th April 2013 to 6552.53 points registered on 31st May 2013, giving a return on index of 3.02%, (29.75% in US\$ terms). The price gains registered by ILLOVO, NBM, NBS, NITL, STANDARDBANK, TNM and OML were the major drivers resulting into an increase in both the Foreign Share Index and the Domestic Share Index by 0.68 points from 1106.04 points to 1113.58 points and by 3.06 points from 4978.43 points to 5130.97 points (29.78% in US\$ terms) respectively.

Table 2: Market Capitalization and Index – May 2013

Month Ending	Mkt. Cap. MKm.	Mkt. Cap. US\$m	Mkt. Cap. MKm*	Mkt. Cap. US\$m*	MASI
April	4,569,408.90	11,071.9867	268,514.89	650.6297	6360.60
May	4,606,835.62	14,023.6137	276,617.33	842.0475	6552.53

* Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – MAY 2013



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***) in May was recorded at 0.58% compared to 0.14% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level 0.12% compared to 0.03% recorded in the previous month.

Table 3: Market Liquidity – May 2013

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
April	338.90	19.915	0.02833	0.1422	0.410211
May	341.68	20.516	0.11997	0.5848	5.212834

* Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
TNM	TNM	13.64
NBM	National Bank of Malawi	8.06
ILLOVO	Illovo Sugar MW	3.24
NBS	NBS Bank	1.71
OML	Old Mutual plc	0.68
Standardbank	Standard Bank MW	0.65
NITL	National Investment Trust Ltd	0.06

Seven counters registered a capital gain in May 2013.

Top Decliners

MSE CODE	COUNTER NAME	% LOSS

There were no capital losses in May 2013.

Top Four Traded Stocks by Volume- May 2013

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	902,986,192	98.47
NBM	National Bank of Malawi	8,096,632	0.88
MPICO	MPICO ltd	2,032,917	0.22
FMB	FMB Bank	1,550,073	0.17

Top Four Traded Stocks by Value- May 2013

MSE CODE	COUNTER NAME	MK	% OF TOTAL
TNM	TNM	1,051,462,829.80	65.00
NBM	National Bank of Malawi	504,551,759.00	31.19
NITL	National Investment Trust Ltd	31,683,478.00	1.96
FMB	FMB Bank	12,400,584.00	0.77

Company Trading Statistics- May 2013

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	700	700	0.00%	-	-
FMB	800	800	0.00%	1,550,073	12,400,584.00
ILLOVO	17000	17550	3.24%	22,109	3,823,430.00
MPICO	210	210	0.00%	2,032,917	4,269,125.70
NBM	6200	6700	8.06%	8,096,632	504,551,759.00
NBS	700	712	1.71%	458,338	3,230,436.16
NICO	1430	1430	0.00%	-	-
NITL	1699	1700	0.06%	1,863,734	31,683,478.00
PCL	18800	18800	0.00%	22,615	4,251,620.00
REAL	120	120	0.00%	4,024	4,828.80
STANDARD BANK	15500	15600	0.65%	10,507	1,631,152.00
SUNBIRD	650	650	0.00%	141	916.50
TNM	110	125	13.64%	902,986,192	1,051,462,829.80
OML	88000	88600	0.68%	262	232,132.00
				917,047,544	1,617,542,291.96

3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha continued appreciating against all major trading currencies as at 31st May, 2013 as shown in Table 2 below;

TABLE 2: MONTHLY EXCHANGE RATES: APR 2013-MAY 2013

CURRENCY	END APR' 2013	END MAY' 2013	% CHANGE*
MK/US Dollar	400.5944	328.5056	21.94
MK/GBP	631.5598	499.6074	26.41
MK/ZAR	45.6533	33.1546	37.70
MK/EUR	529.3800	428.3930	23.57

Source: National Bank of Malawi; *Used the reciprocal method to calculate % change

The appreciation of the kwacha is as a result of continued tobacco inflows coupled with the liquidity squeeze on the kwacha in the market.

- 3.2 The year on year headline inflation stood at 35.8% in April 2013 down by 0.60%. The urban and rural inflation rates for the month of April 2013 were 42.0% and 31.2% respectively.

Key Economic Indicators- May 2013

	May 2012	Apr. 2013	May 2013
Inflation Rate	17.3	35.8	35.8(Apr)
RBM Bank Rate	16.0	25.0	25.0
Prime Rate	20.75	40.0	40.0
91 Days T-Bill	14.73	35.02	33.39
182 Days T-Bill	15.00	39.72	35.06
364 Days T-Bill	11.16	0.00	37.63
Import Cover(Months)	0.8	1.10(Apr 26)	1.82(May 29)

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