



Malawi Stock Exchange (MSE) trading activity

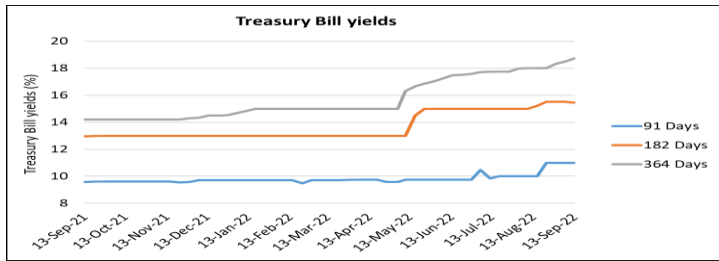
The Malawi All Share Index (MASI) registered a gain of 0.01% to close the week at 54,398.38 points from 54,394.89 points in the previous week due to share price gains in AIRTEL (0.02%), FMBCH (0.04%) and NBM (0.003%) which offset share price losses in NBS (-0.04%) and PCL (-0.0005%). The market traded 5,358,974 shares at a consideration of K237.63b in 103 trades compared to 25,517,823 shares traded at a consideration of K681.02b in 105 trades in the previous week. The year-to-date return on MASI stands at 19.91% compared to 25.25% for the same period in 2021 (Source: MSE).

Upcoming dividends

Company	Dividend type	Dividend (K/share)	Last day to register	Payable
NBS	Interim declared	0.85	9-Sep-22	23-Sep-22
ICON	Final declared	0.12	16-Sep-22	29-Sep-22
NICO	Final declared	0.60	16-Sep-22	29-Sep-22
NBM	Interim declared	17.14	9-Sep-22	30-Sep-22
FMBCH	Interim declared	0.15 Cents	23-Sep-22	30-Sep-22
OMU	Interim declared	14.82	20-Sep-22	18-Oct-22
NICO	Interim declared	1.00	7-Oct-22	19-Oct-22
PCL	Interim declared	7.00	14-Oct-22	28-Oct-22

Government securities

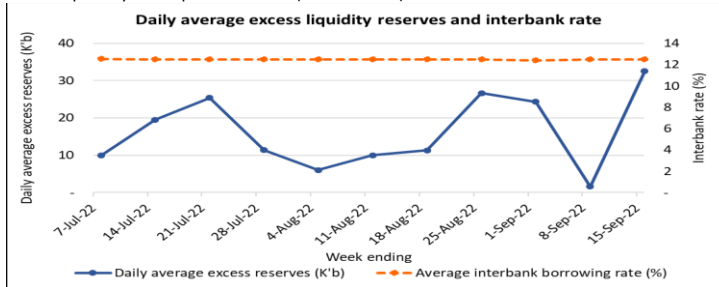
Government raised K20.95b in an auction of Treasury Bills (TBs) during the week compared to K7.67b raised in the previous week. The auction registered no rejection on the submitted bids. The average TB yield increased to 15.0671% from 15.0000% in the previous week on account of an increase in the 364-day yield to 18.7455% from 18.5000%. The 182-day yield decreased to 15.4559% from 15.5000% while the 91-day yield was constant at 11.0000% during the week (Source: RBM).



The Government also raised K102.54b through auction of Treasury notes during the week. Maturities of Government securities for the week amounted to K11.30b. RBM conducted outright purchase of securities amounting to K102.86b. This resulted in a net withdrawal of K9.33b from the market compared to a net injection of K3.30b in the previous week (Source: RBM).

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K32.51b from K1.57b in the previous week. Daily average interbank borrowing increased to an average of K23.22b from K17.50b in the previous week. The average interbank borrowing rate was constant at 12.50%. Borrowing on the Lombard facility slightly increased to the average of K27.48b per day during the week from K27.22b per day in the previous week (Source: RBM).



Foreign exchange market developments

The Kwacha depreciated by 0.24% to trade at K1035.4823/USD as at 15th September 2022 from K1032.9817/USD on 8th September 2022. However, the Kwacha appreciated against GBP (-0.17%), EUR (-0.51%) and ZAR (-1.64%) during the period. Gross official foreign exchange reserves stood at USD378.89m (1.52 months import cover) on 31 August 2022 compared to USD372.99 (1.49 months import cover) on 31st July 2022. The recommended minimum import cover is 3 months.

Stock market				
	16-Sep-22	% Δ		9-Sep-22
MASI	54,398.38	↑ 0.01%		54,394.89
DSI	44,368.22	↑ 0.004%		44,366.66
FSI	5,154.23	↑ 0.04%		5,152.25
Traded volume	5,358,974	↓ -79.00%		25,517,823
Number of trades	103	↓ -1.90%		105
Value of shares traded (K'm)	237.63	↓ -65.11%		681.02
Market capitalisation (K'm)	2,943,874.59	↑ 0.01%		2,943,682.56
Gainers				
	Closing price (K)	% Δ		Opening price (K)
AIRTEL	51.16	↑ 0.02%		51.15
FMBCH	100.04	↑ 0.04%		100.00
NBM	1160.04	↑ 0.003%		1160.01
Losers				
	Closing price (K)	% Δ		Opening price (K)
NBS	22.71	↓ -0.04%		22.72
PCL	2,181.43	↓ -0.0005%		2,181.44
Treasury Bill auctions				
	Auction date	13-Sep-22	% pts Δ	6-Sep-22
Amount offered - cost value (K'm)		22,173.00	↑ 0.00%	22,173.00
Applied - cost value (K'm)		20,946.58	↑ 166.31%	7,865.63
Allotted - cost value (K'm)		20,946.58	↑ 173.25%	7,665.63
Overall rejection rate		0.00%	↓ -2.54	2.54%
91 days yield		11.0000%	↓ 0.0000%	11.0000%
182 days yield		15.4559%	↓ -0.0441%	15.5000%
364 days yield		18.7455%	↑ 0.2455%	18.5000%
All-type yield		15.0671%	↑ 0.0671%	15.0000%
Treasury Note and Bond auctions				
	Auction date	13 & 14 Sep 2022	5 & 7 Sep 2022	30 Aug & 2 Sep 2022
Tenors		2,3,5 & 7 years	2,3,5,7 & 10 years	7 year IDB
Coupon rate		10.00%, 11.00%, 12.50% & 13.50%	1.00%, 12.50%, 13.50%	14.50%
Amount offered - cost value (K'b)		102.54	7.03	15.00
Total applied - cost value (K'b)		102.54	7.03	11.92
Total allotted - cost value (K'b)		102.54	7.03	11.25
Allotted - weighted average ytm		21.34%, 23.29%, 25.00% & 26.50%	3.00%, 25.00%, 26.50%	26.75%
Current yields for Treasury Notes and Bonds				
	Tenor	Last auction's yield	Last auction	Next auction
	2 years	21.34%	13-Sep-22	TBA
	3 years	23.29%	14-Sep-22	TBA
	5 years	25.00%	14-Sep-22	TBA
	7 years	26.50%	14-Sep-22	TBA
	7-Year Development Bond	26.75%	2-Sep-22	TBA
	10 years	27.50%	7-Sep-22	27-Sep-22
	10-year infrastructure bond	23.35%	26-Apr-24	TBA
Upcoming auctions of Treasury Notes and Bonds				
	Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate
	27-Sep-22	10	27.68	15.00%
Projected maturities				
	Week ending	16-Sep-22	23-Sep-22	30-Sep-22
TBs, PNs & TNs (K'm)		11,296	16,706	19,822
OMO repos (K'm)		0	0	0
OMO reverse repos (K'm)		0	16,515	23,237
Reference rate				
	Rate	Sep-22	% pts Δ	Aug-22
		13.90%	↑ 0.10	13.80%
Inflation rate				
	Rate	Jul-22	% pts Δ	Jun-22
		24.6%	↑ 1.1	23.5%
Closing TT mid exchange rates				
		15-Sep-22	% Δ	8-Sep-22
USD		1035.4823	↓ 0.24%	1032.9817
GBP		1221.3958	↓ -0.17%	1223.4588
EUR		1059.4073	↓ -0.51%	1064.8634
ZAR		60.4132	↓ -1.64%	61.4192
Gross official foreign exchange reserves position				
	Reserves (USD'm)	31-Aug-22	31-Jul-22	30-Jun-22
		378.89	372.99	415.73
	Import cover (months)	1.52	1.49	1.66

Sources: MSE, RBM, NSO, AHL

Published financial results for the half year ended 30th June 2022

Company	H1 2022 profit after tax (K'm)		Change (%)	H1 2021 profit after tax (K'm)
	2022	2021		
Listed banks				
FDH Bank Plc	8,499	8,499	94%	4,376
National Bank of Malawi Plc	22,118	22,118	73%	12,754
NBS Bank Plc	5,090	5,090	16%	4,395
Standard Bank Plc	15,835	15,835	37%	11,578
Unlisted banks				
CDH Investment Bank Ltd	2,503	2,503	-13%	2,891
Ecobank Ltd	8,031	8,031	87%	4,305
Listed companies				
Airtel Malawi Plc	8,901	8,901	-22%	11,346
FMB Capital Holdings Plc (US\$'000)	25,243	25,243	93%	13,092
MPICO Plc	3,161	3,161	11%	2,841
NICO Holdings Plc	11,822	11,822	68%	7,027
Old Mutual Plc (Rm)	5,222	5,222	75%	2,984
Press Corporation Plc	15,977	15,977	24%	12,872

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