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MONTHLY ECONOMIC REPORT

OCTOBER 2025

Investment Management | Corporate Finance | Investor Services

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LIST OF ACRONYMS

ADB:	Authorized Dealer Bank
AFE:	Eastern and Southern Africa
BAM:	Bankers Association of Malawi
BOE:	Bank of England
BHL:	Blantyre Hotels Plc
DOC:	Declaration of Cooperation
DSI:	Domestic Share Index
ECB:	European Central Bank
ECF:	Extended Credit Facility
EIU:	Economist Intelligence Unit
EU:	European Union
EUR:	Euro
EMDE:	Emerging Market and Developing Economy
ESIA:	Environmental and Social Impact Assessment
FSI:	Foreign Share Index
GBP:	British Pound
GDP:	Gross Domestic Product
IMF:	International Monetary Fund
K:	Malawi Kwacha
LRR:	Liquidity Reserve Ratio
MASI:	Malawi All Share Index
MB/D:	Million barrels per day
MPC:	Monetary Policy Committee
M-O-M:	Month of Month
MSE:	Malawi Stock Exchange
MEPA:	Malawi Environment Protection Authority
NBM:	National Bank of Malawi Plc
NBS:	NBS Bank Plc
NGLs:	Natural Gas Liquids
NICO:	NICO Holdings Plc
NITL:	National Investment Trust Plc
NSO:	National Statistical Office
Non-Doc:	Countries not participating in Declaration of Cooperation
OECD:	Organization for Economic Co-operation and Development
OMO:	Open Market Operations
OPEC:	Organization of the Petroleum Exporting Countries
ORB:	OPEC Reference Basket
PCL:	Press Corporation Plc
RBM:	Reserve Bank of Malawi
SSA:	Sub Sahara Africa
Sunbird:	Sunbird Tourism Plc
TB:	Treasury Bills
TNM:	Telekom Networks Malawi Plc
TSH:	Tanzania Shillings
TT:	Telegraphic Transfer
UBOS:	Ugandan Bureau of Statistics
UGX:	Ugandan Shillings
UK:	United Kingdom
US:	United States
US$:	United States Dollar
WAEMU:	West African Economic and Monetary Union
WTO:	World Trade Organisation
WEO:	World Economic Outlook
Y-O-Y:	Year on Year
ZAR:	South African Rand
ZK:	Zambian Kwacha

EXECUTIVE SUMMARY

Economic Outlook — Malawi

Malawi's economy is estimated to grow by 2.18% in 2025, up from 1.65% the previous year. The pick-up is driven largely by mining and quarrying. However, a drought-ravaged 2024/25 agricultural season weakened farm output, holding back the sector's contribution and weighing on growth. The outlook remains cautious, buffeted by persistent headwinds.

The EIU forecasts that the Kwacha will continue to depreciate gradually over the forecast period as the RBM allows greater exchange-rate flexibility—to MK2,438:US$1 at end-2026 and MK3,250:US$1 at end-2029, in line with IMF guidance and reflecting the paucity of foreign-exchange reserves.

The Monetary Policy Committee (MPC) of the Reserve Bank of Malawi maintained the policy rate at 26.0% during its third meeting of the year, which was held on October 30 and 31, 2025. . The committee observed that Committee observed that inflation edged up slightly from 28.0% in the previous quarter to 28.1% in the third quarter of 2025. The committee also maintained the Lombard rate at 20 basis points above the policy rate, and the Liquidity Reserve Requirement (LRR) at 10.0% for local currency deposits and 3.75% for foreign currency deposits.

China cancelled US$20.0 million (equivalent to MK35.0 billion) of Malawi's interest-free debt and extended repayment periods on other loans to 48 years, easing pressure on the debt-laden economy.

The World Bank extended a $45.0 million emergency food security grant to Malawi, a measure prompted by severe drought conditions that have left millions vulnerable to hunger.

The national average retail price of maize dipped 2% in October, sliding from K1,264 per kilogram in late September to K1,240 by month's end. Prices continued their post-election decline in early October before staging a modest rebound. This relative stability mirrors last year's October, when prices rose 4.0%.

Key Economic Risks – Malawi

1. **Escalation of Geopolitical Conflicts (e.g., Russia-Ukraine, Middle East tensions)** – Supply chain disruptions and surging commodity prices (oil, gas, grains) leading to heightened imported inflation and reduced global trade volumes, straining fiscal space in the economy.

2. **Uncertainty in External Environment and Trade Protectionism** – Persistently weak export base due to falling demand and protectionist policies, affecting currency stability and exacerbating foreign exchange imbalances from widening trade deficits.

3. **Climate Change/Natural Disasters** – Changes in weather patterns and extreme conditions like droughts and floods, impacting agricultural production, livelihoods, and infrastructure development.

4. **Rising Government Debt and Fiscal Strain** – High debt levels create future obligations for repayment plus interest, crowding out private investment and risking sovereign debt crises.

5. **Persistent Inflation and Cost-of-Living Crisis** – High inflation rates driving up living costs, eroding purchasing power, with measures to curb it resulting in elevated borrowing costs that hinder production and growth.

6. **Foreign Exchange Volatility and Shortages** – Scarcity of foreign exchange leading to higher import costs and potential fuel crises as importing essentials becomes challenging.

7. **Fuel and Energy Shortages** – Scarcity of fuel combined with recurrent power outages constrains industrial output and elevates operational costs.

8. **Financial Sector Vulnerabilities** – High concentration of bank portfolios in government securities increases systemic exposure to fiscal stress. Shallow diversification constrains the sector's ability to absorb shocks, heightening the risk of liquidity pressures or instability during periods of macroeconomic tightening or fiscal slippage.

ECONOMIC OVERVIEW

Inflation (Source: NSO)

The headline inflation for October 2025 stood at 29.11%, an increase from 28.70% reported in September 2025. The increase in inflation was on account of an increase in non-food services prices.

	Oct-25	Sep-25	Oct-24	% Change (1 Months)	% Change (12 Months)
Headline inflation	29.11%	28.70%	32.40%	0.41%	3.29%
Food	32.38%	33.00%	40.30%	-0.62%	7.92%
Non-food	23.78%	21.70%	21.20%	2.08%	-2.58%

Government Securities (Source: RBM)

In October 2025, the average yield for all types of Treasury bills was 20.67%, unchanged from August 2025.

Tenor	Oct-25	Sep-25	Oct-24	Change 1 Month	Change 12 Months
91 days	16.00%	16.00%	14.70%	0.00%	1.30%
182 days	20.00%	20.00%	18.16%	0.00%	1.84%
364 days	26.00%	26.00%	24.00%	0.00%	2.00%
All Type	20.67%	20.67%	18.95%	0.00%	1.71%

Total Treasury bill applications for the month of October 2025 stood at K137.45 billion and K84.39 billion was allotted, representing a 38.62% rejection rate. The 364-day paper accounted for the highest subscription rate at 70.57%, followed by the 182-day paper at 28.81%, and lastly the 91-day paper at 0.62%.

During the month of October 2025, the Reserve Bank conducted several Treasury Note Auctions. These auctions included the 2-year, 3-year, 5-year, 7-year and 10-year treasury notes. The auctions raised a total of K467.16 billion, and the entire amount was fully allotted. The weighted average yields were 28.75%, 30.00%, 32.00%, 34.00%, and 35.00% respectively.

Foreign Currency Market (Source: RBM)

During the month of October 2025, the Malawi Kwacha appreciated against the Euro, British Pound and South African Rand.

The Kwacha remained unchanged against the US Dollar. See the table below:

CURRENCY	Oct-25	Sep-25	Oct-24	% Movement 1 month	% Movement 12 months
MK/USD	1,734.01	1,734.01	1,734.01	0.00%	0.00%
MK/GBP	2,349.17	2,400.96	2,313.80	2.16%	-1.53%
MK/ZAR	103.34	103.64	101.15	0.29%	-2.17%
MK/EUR	2,066.62	2,096.44	1,938.02	1.42%	-6.64%

Note: Rates used are Middle Exchange Rates (Source: RBM)

Interbank Markets and Interest Rates (Source: RBM, BAM)

Liquidity levels (excess reserves after Central Bank operations) in October 2025 decreased to a daily average of K130.24 billion from K175.79 billion in September 2025. Access to the Lombard facility (discount window borrowing) during the month under review averaged K45.61 billion per day, at an average rate of 26.20%, compared to K44.90 billion during the month of September 2025 at an average rate of 26.20%.

In October 2025, the overnight borrowing between banks increased to a daily average of K71.52 billion at an average rate of 23.98%, compared to an average of K60.45 billion per day at an average rate of 23.98% in September 2025.

The reference rate in October 2025 stood at 25.40%, an increase from 25.30% in September 2025.

Foreign Exchange Reserves (Source: RBM)

For the month of September, total forex reserves stood at US$511.80 million (2.10 months of import cover); a decline from US$523.90 million (2.20 months of import cover); registered at the end of August 2025 (September 2024: US$560.30 million, representing 2.20 months of import cover).

	Sep-25 (US$ million)	Aug-25 (US$ million)	Sep-24 (US$ million)	% 1 month change	% 12 months change
Total	511.80	523.90	560.30	-2.31%	-8.66%
Import Cover (Months)					
Total	2.00	2.20	2.20	-9.09%	-9.09%

Stock Market (Source: MSE)

The Stock market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 579,212.79 points registered in September 2025 to 602,600.89 points registered in October 2025, giving a month-on-month return on index of 4.04% (4.04% in US$ terms). The positive return registered by FMBCH(32.29%), ILLOVO(30.02%), SUNBIRD(15.01%), PCL(15.001%), OMU(14.997%), NBM(13.71%), NITL(10.95%) and BHL(0.07%) were enough to offset share price losses registered by STANDARD(-19.62%), AIRTEL(-2.18%), TNM(-0.84%), NBS(-0.16%), FDHB(-0.05%) and NICO(-0.003%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share Index fell by –0.90% from 441,898.89 to 437,930.45 points whilst the Foreign Share Index inched upwards by 32.13% from 94,071.23 to 124,300.17 points.

Market capitalization increased in both Malawi Kwacha and US Dollar terms from MK31.53 trillion (US$18.18 billion) to MK32.81 trillion (US$18.92 billion) driven by share price gains and an increase in OMU shares.

The market transacted a total of 38.83 million shares at a total consideration of MK27.56 billion (US$15.89 million) in 5,462 trades in the month of October 2025. In the previous month of September 2025, the market transacted a total of 30.85 million shares at a total consideration of MK24.99 billion (US$14.41 million) in 5,210 trades. This reflects a 25.85% increase in terms of share volume traded and a 10.29% (10.29% in US Dollar terms) increase in share value traded.

	Oct-25	Sep-25	Oct-24	Change (1 month)	Change (12 months)
	MK/Share	MK/Share	MK/Share	%	%
AIRTEL	134.94	137.95	55.05	-2.18%	145.12%
BHL	15.03	15.02	14.21	0.07%	5.77%
FMBCH	2511.01	1898.08	398.59	32.29%	529.97%
FDHB	637.59	637.89	149.17	-0.05%	327.43%
ICON	17.95	17.95	15.82	0.00%	13.46%
ILLOVO	2,330.00	1,792.02	1,355.09	30.02%	71.94%
MPICO	19.55	19.55	14.85	0.00%	31.65%
NBM	12,399.95	10,800.00	3,450.01	14.81%	259.42%
NBS	1022.88	1024.50	149.61	-0.16%	583.70%
NICO	1739.79	1739.85	198.81	0.00%	775.10%
NITL	3940.00	3551.02	409.93	10.95%	861.14%
OMU	2,875.00	2,500.06	1,866.50	15.00%	54.03%
PCL	8,728.59	7,590.00	2,499.81	15.00%	249.17%
STANDARD	5,199.95	6,468.90	5,495.20	-19.62%	-5.37%
SUNBIRD	575.10	500.04	240.03	15.01%	139.60%
TNM	31.73	32.00	23.00	-0.84%	37.96%
MASI	602,600.89	579,212.79	147,216.86	4.04%	309.33%
DSI	437,930.45	441,898.89	115,350.80	-0.90%	279.65%
FSI	124,300.17	94,071.23	19,978.82	32.13%	522.16%

Below is a presentation of the latest published 2025 and 2024 half year financials for the respective companies:

Published Half Year Financials for 2025 and 2024						
	Net Profit/(Loss) (MK'Billion)			First Interim Dividend (Per Share) (Kwacha)		
Period (Half-Year)	Jun-25	Jun-24	% Change	Jun-25	Jun-24	% Change
STANDARD	48.39	43.37	11.57%	0.00	0.00	N/A
FDH BANK	60.28	27.94	115.75%	1.02	1.89	-46.03%
TNM	7.97	2.26	252.65%	0.20	0.00	
NBS BANK	73.45	32.64	125.03%	4.70	1.60	193.75%
NICO	124.91	49.28	153.47%	6.00	3.00	100.00%
SUNBIRD	5.46	5.42	0.74%	2.80	2.50	12.00%
NITL	84.27	4.32	1850.69%	5.00	2.50	100.00%
ICON	12.73	9.73	30.83%	0.15	0.14	7.14%
AIRTEL	22.41	21.33	5.06%	0.00	0.00	N/A
BHL	3.33	-0.78	526.92%	0.00	0.00	N/A
MPICO	7.60	5.70	33.33%	0.00	0.00	N/A
PCL	94.39	45.28	108.46%	20.79	11.25	84.80%
NBM	84.11	42.08	99.88%	35.64	27.84	28.02%
	Net Profit/(Loss) (US$' million)			First Interim Dividend (Per Share) (US$)		
FMBCH	72.89	46.82	55.68%	0.30	0.21	42.86%
TRADING STATEMENT						
ILLOVO	Expects that profit after tax for the year ending 31 August 2025 to be between 230.0% and 250.0%					

OTHER MARKET DEVELOPMENT

Tobacco Sales (Source: AHL & TC).

The 2025 tobacco marketing season advanced through September, stretching the market beyond its usual August close. Earnings consistently outpaced those of 2024, as total revenue hit US$539.50 million from 219.0 million kilograms sold at an average price of US$2.46 per kilogram. By contrast, the same period in 2024 recorded US$396.78 million from 133.3 million kilograms sold at a higher price of US$2.98. The notable surge in revenue owed largely to a 64.3% increase in sales volume, underscoring robust demand despite a dip in average prices.

China Cancelled US$20.0 million of Malawi's Debt(Source: Times)

China cancelled US$20.0 million (equivalent to MK35.0 billion) of Malawi's interest-free debt and extended repayment periods on other loans to 48 years, easing pressure on the debt-laden economy. The decision, reached after bilateral talks, also includes tariff-free access for Malawian agricultural exports and support for fertilizer and foreign exchange supplies ahead of the 2025/26 farming season.

World Bank Grants US$45.0 million to Malawi (Source: The Nation)

The World Bank extended a $45.0 million emergency food security grant to Malawi, a measure prompted by severe drought conditions that have left millions vulnerable to hunger. This funding aims to enable the government to purchase maize from Zambia swiftly, addressing acute food shortages and preventing a further deterioration of living standards. The grant underscores the necessity of external support to bridge fiscal and logistical gaps in crises where domestic resources fall short.

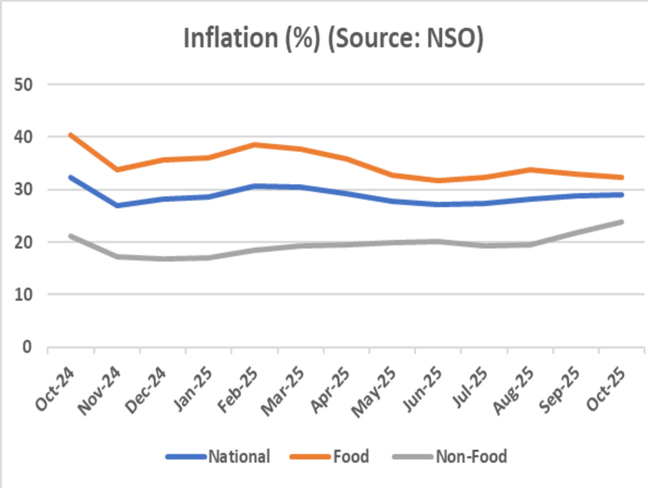
Maize prices (Source: IPFRI).

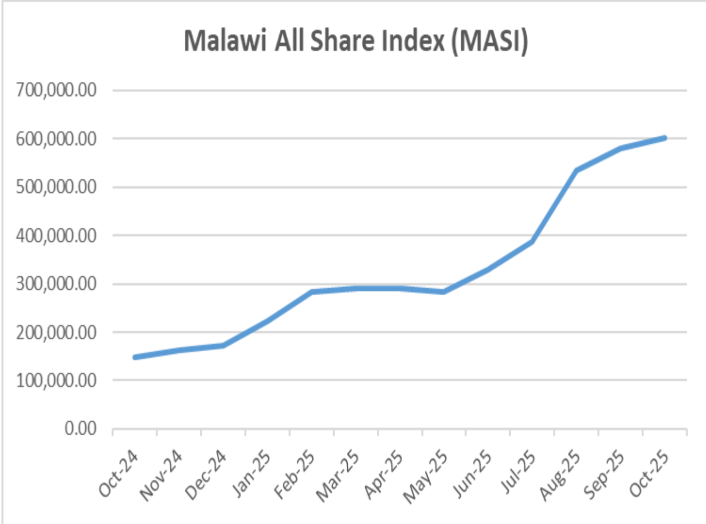
The national average retail price of maize dipped 2.0% in October, sliding from K1,264 per kilogram in late September to K1,240 by month's end. Prices continued their post-election decline in early October before staging a modest rebound. This relative stability mirrors last year's October, when prices rose 4%. Such figures, however, smooth over the underlying volatility in local markets.

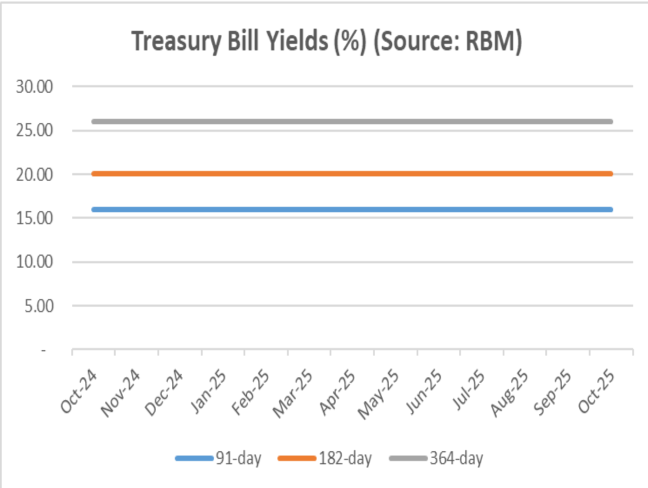
The modest drop in the national average price of maize masks stark regional contrasts. In parts of the south, prices tumbled—by 13% in Mangochi and nearly 10.0% in Lunzu, Ngabu, and Bangula. Elsewhere, notably Chitipa and Chikwawa bomas, prices rose by up to 11%, with Mulanje seeing an 8% lift. These erratic shifts reflect a cocktail of post-election uncertainty, government import signals shaping trader behaviour, and cheaper imports driven by currency gains. Still, the familiar geographic pattern endured: the north kept prices relatively low, the south the highest.

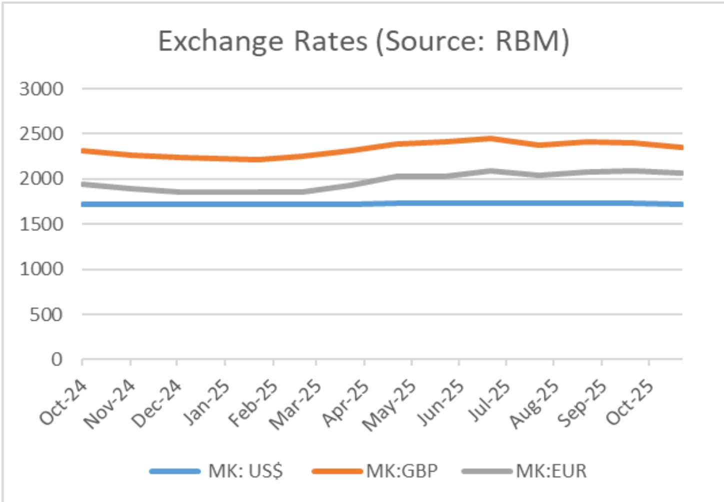
Malawi remained a net importer of maize in October, with inflows recorded through all monitored border points, indicating that domestic supply was insufficient to meet demand. Compared to September, when limited inflow traded further inland, October saw imported maize mostly stay within border districts. Continued imports suggest that the domestic supply of maize was unable to meet demand. The Malawi Kwacha appreciated against neighboring country currencies in informal exchange markets used for much cross-border trade, resulting in the decrease of import parity maize prices

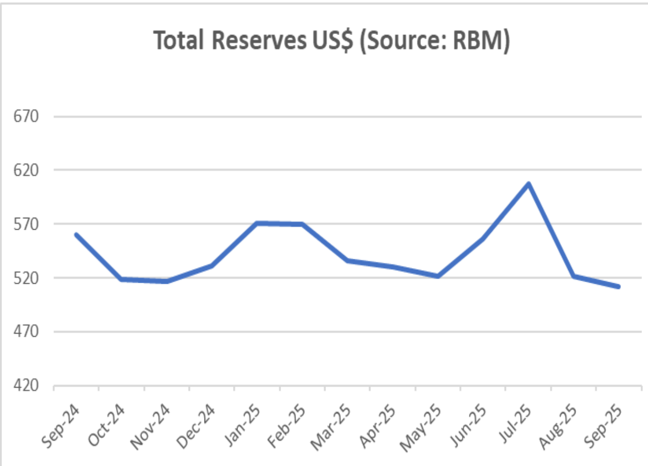
TREND GRAPHS

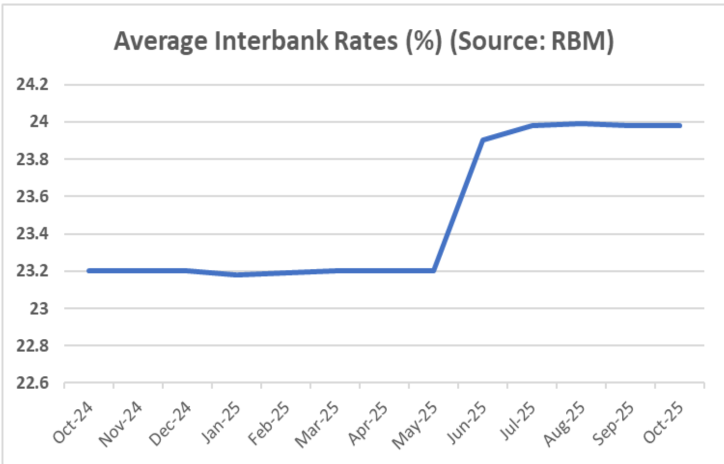












GLOBAL DEVELOPMENTS

Economic Growth

According to the IMF Global Outlook report, global growth is set to slow to slow to 3.2% in 2025 and 3.1% in 2026. On a quarter-to-quarter basis, growth declines more sharply, from 3.6% in late 2024 to 2.6% in 2025, before recovering to 3.3% in 2026. These forecasts have changed little since July 2025 but remain well below the pre-pandemic average of 3.7%. Adjusting for front-loaded trade activity in early 2025, the global economy is expected to grow at an annualised 3.0% from mid-2025 through 2026, a slowdown of 0.6 percentage points in 2024's pace. The forecast also trails the October 2024 outlook by 0.2 percentage points, reflecting major policy shifts and trade uncertainties since then. This underscores how global growth continues to adapt gradually to new trade realities while facing persistent headwinds.

Growth in the Euro area is forecast to rise modestly to 1.2% in 2025 and 1.1% in 2026. While this marks an improvement from earlier forecasts in April and July, it still represents a cumulative downward revision of 0.4 percentage points from the October 2024 outlook. Elevated uncertainty and higher tariffs are the main drags, partially offset by stronger private consumption supported by rising real wages and fiscal easing in Germany in 2026. Ireland's robust performance also buoyed growth in 2025. Overall, the euro area economy is expected to grow at close to its potential by 2026.

The United States economy is forecast to slow to 2.0 percent growth in 2025, holding steady at 2.1 percent in 2026. This outlook is broadly unchanged since July and improved relative to April, thanks to lower effective tariff rates, fiscal stimulus from the One Big Beautiful Bill Act (OBBBA) and easing financial conditions. However, it represents a sharp slowdown from 2024, incorporating a downward revision of 0.1 percentage point from October 2024 World Economic Outlook and 0.7 percentage point relative to the January 2025 update.

China's GDP growth forecast for 2025 was revised down by 0.6 percentage points in April, reflecting heightened trade tensions with the US. However, by July, the outlook improved with a 0.8 percentage point upward revision after a pause on rate hikes in May. The World Economic Outlook projects China's growth at 4.8% for 2025, boosted by stronger-than-expected trade front-loading and robust domestic consumption, supported by fiscal policy. Growth is expected to moderate to 4.2% in 2026 as export growth slows and fiscal stimulus eases. This forecast balances headwinds from tariffs and uncertainty against solid economic momentum.

Growth in emerging markets and developing economies is expected to ease moderately from 4.3% in 2024 to 4.2% in 2025, and then to 4.0% in 2026. This forecast remains broadly unchanged from July 2025 World Economic Outlook update and represents a 0.6 percentage point upward revision from April 2025. However, it is 0.2 percentage points lower than the October 2024 projection, with the largest downward revisions seen in low-income developing countries compared to their middle-income peers. This outlook reflects a modest slowdown amid ongoing global uncertainties and varying regional growth dynamics.

Global Oil

In October, the OPEC Reference Basket (ORB) fell by US$5.19 per barrel, month-on-month, to average US$65.20 per barrel. The ICE Brent front-month contract declined by US$3.63 per barrel to an average of US$63.95 per barrel, while the NYMEX WTI front-month contract dropped by US$3.46 per barrel to US$60.07 per barrel. The GME Oman front-month contract also decreased, falling by US$5.09 per barrel to settle at US$64.95 per barrel.

The global oil demand growth forecast for 2025 remains unchanged at approximately 1.3 million barrels per day (mb/d), year-on-year. Within the OECD, demand is expected to grow marginally by 0.1 mb/d, while non-OECD countries are projected to account for the bulk of the increase at 1.2 mb/d. For 2026, global demand is similarly expected to rise by around 1.4 mb/d, with the OECD contributing 0.1 mb/d and non-OECD regions contributing 1.2 mb/d.

Liquids production from countries not participating in the Declaration of Cooperation (non-DoC) is forecast to increase by 0.9 mb/d in 2025—an upward revision of 0.1 mb/d from the previous outlook, reflecting updated historical data. Growth will primarily be driven by the United States, Brazil, Canada, and Argentina. For 2026, non-DoC liquids production is projected to expand by 0.6 mb/d, with the same countries remaining the key contributors.

Natural gas liquids (NGLs) and other non-conventional liquids from DoC participating countries are expected to grow by 0.1 mb/d in 2025 to an average of 8.6 mb/d, followed by a similar increase in 2026 to reach 8.8 mb/d. Meanwhile, crude oil production among DoC participants declined by 73 thousand barrels per day month-on-month to average 43.02 mb/d, based on secondary source estimates.

Currency Movements

In October 2025, the U.S. Dollar Index (DXY) experienced a notable rally extending from late September lows, climbing to hover around 99.35 early in the month and approaching resistance near 99.96. This upward movement was supported by strong U.S. economic data such as robust job reports and the Federal Reserve's ongoing high-interest-rate policy, which sustained demand for the dollar as a safe haven. The overall trend was cautiously bullish, with technical indicators like the RSI signaling room for further gains, though the index remained within a key range between approximately 96 and 100 points.

The EUR/USD currency pair mirrored some of the dollar's weakness through October, benefiting from softer dollar momentum and a more favorable inflation outlook in the Eurozone. The Euro gained strength, pushing the EUR/USD exchange rate upward, aided by inflation data aligning more closely with the European Central Bank’s target and expectations of less aggressive monetary tightening compared to the U.S. This dynamic allowed the Euro to test resistance levels near 1.18 to 1.20 during the month, although uncertainties regarding global trade tensions and geopolitical risks capped more substantial gains.

GBP/USD also saw gains in October supported by the general dollar weakness, but the British pound's advance was restrained by ongoing domestic challenges including inflation concerns and unclear fiscal policy direction. Sterling traded in a cautious bullish range roughly between 1.33 and 1.38, facing resistance around the 1.37 level. Market participants weighed the cautiously positive dollar outlook against UK-specific uncertainties, resulting in moderate appreciation against the dollar but limited breakout momentum.

Global Trade

The World Trade Organization (WTO) reported a positive yet cautious outlook on global trade dynamics. Merchandise trade volume growth for the year was upgraded significantly to about 2.4%, up from an earlier forecast of 0.9%. This growth was driven by sustained demand for AI-related products and an early surge in imports into the United States in anticipation of rising tariffs. Despite challenges such as trade policy uncertainty, geopolitical tensions, and a complex economic environment, global trade showed resilience, supported by a rules-based multilateral trading system and measured tariff responses among member countries. South-South trade growth was particularly strong, with a value increase of 8.0% year-on-year in the first half of 2025, outpacing overall world trade growth.

Manufacturing led global trade growth in 2025, driven especially by electronics and the strong demand for hybrid and electric vehicles in the automotive sector. Trade in services recovered after early declines, with both goods and services posting solid gains through mid-year. Additionally, rising prices for traded goods contributed to increased trade value alongside volume growth. Trade imbalances narrowed overall, reflecting shifts in U.S. trade policy, although some countries like Japan, India, and the UK saw expanded deficits. China's and the European Union’s trade surpluses fell slightly amid these changes.

Interest Rate Movements

The US Treasury yield (10-Year) decreased to close at 4.06% in October 2025 from 4.12% recorded in September 2025.

	Oct-25	Sep-25	Oct-24	Change 1 month	Change 12 months
US Fed Rate	3.88%	4.13%	4.68%	-6.05%	-0.80%
US Treasury yield (10 years)	4.06%	4.12%	4.10%	-0.06%	-0.04%
BOE Rate	4.00%	4.00%	4.80%	0.00%	-0.80%
ECB Rate	2.15%	2.15%	3.25%	0.00%	-1.10%

(Source: US Federal Reserve, Refinitiv)

REGIONAL MARKET DEVELOPMENT

Sub-Saharan Africa (SSA)

According to the International Monetary Fund's Global Economic Prospects, economic growth in Sub-Saharan Africa is forecast to hold steady at 4.1% in 2025, matching last year's pace, with a gentle uptick expected in 2026. Slightly revised forecasts reflect ongoing strides in macroeconomic stabilisation and reforms, notably in Ethiopia and Nigeria. Over recent years, the region has weathered a string of major shocks with notable resilience, boasting some of the world's fastest-growing economies—Benin, Côte d'Ivoire, Ethiopia, Rwanda and Uganda among them. Yet, growth remains uneven. Resource-dependent nations and conflict-hit states, home to most of the population, continue to lag. There, rises in income per person are barely 1% a year on average, and even less in the poorest countries.

In parts of the region, reforming debt transparency and rebuilding trust in debt management would significantly boost investor confidence and lower borrowing costs. Transparency raisthe chances that funds are channelled into investments that drive growth and exports. It also helps reduce risks to debt sustainability and is crucial for current and future debt restructuring efforts. These measures are especially important as sovereign debt portfolios grow more complex with the rise of private bonds and collateralised borrowing. In this evolving landscape, clarity and accountability are key to unlocking better financing terms and sustainable development.

Global growth is slowing, with forecasts revised slightly downwards for 2025–26. Commodity markets show mixed signals: falling oil prices hurt fuel exporters, while cocoa, coffee, copper, and gold remain strong, aiding resource-rich countries like Ethiopia. Borrowing conditions have eased modestly, aided by a weaker dollar and easing policies in emerging markets, leading to narrower sovereign spreads and resumed portfolio inflows. However, trade tensions have worsened, with rising US tariffs and the end of preferential African trade access, while foreign aid to the region is plunging, straining public services in fragile states. Fiscal space is limited, heightening risks from trade tensions, aid cuts, geopolitical instability and financial volatility, which will particularly challenge resource-intensive and fragile economies.

Zambia

Zambia's headline inflation decreased to 11.9% in October 2025, down from 12.3% in September 2025. The Zambian Kwacha closed at ZK22.21/US$1 in October 2025, compared to ZK23.87/US$1 recorded in September 2025. According to the IMF, economic growth is projected to grow by 5.8% in 2025.

Zimbabwe

Inflation decreased to 32.7% in October, down from 82.7% in September 2025, driven by falling food and services prices. The Zimbabwean Gold (ZiG) closed at ZiG26.39/US$1 in October 2025, compared to ZiG26.64/US$1 in September 2025. According to the IMF, economic growth is projected to grow at 6.0% in 2025.

Uganda

Uganda's headline inflation decreased to 3.4% in October 2025, down from 4.0% in September 2025. The Ugandan Shilling appreciated against the US Dollar in October 2025, closing at UGX 3,481.00/US$1, compared to UGX3,492.30/US$1 recorded in September 2025. Uganda's economy is projected to grow by 6.4% in 2025.

Tanzania

Tanzania's headline inflation decreased to 3.5% in October 2025, down from 3.4% in September 2025. The Tanzanian Shilling appreciated against the US Dollar and closed at TSh2,451.64/US$1, compared to TSh2,454.81/US$1 recorded in September 2025. According to the IMF, Tanzania's economy is projected to grow by 6.0% in 2025.

South Africa

South Africa's headline inflation increased to 3.6% in October 2025, up from 3.4% in September 2025. The South African Rand appreciated against the US Dollar and closed at ZAR17.24/US$1 in October 2025, compared to ZAR17.27/US$1 recorded in the previous month. The IMF has projected that economic growth outlook for South Africa to grow at 1.1% in 2025.

OUTLOOK FOR OCTOBER AND BEYOND – MALAWI

Exchange Rates

Owing to persistent shortages of hard currency and speculation, the spread between the formal exchange rate in September 2025 stood at K1,751.00:US$1 (TT sell), while the informal market exchange rate was K3,500:US$1. The Reserve Bank of Malawi (RBM) continued to conduct auctions through Authorised Dealer Banks (ADBs) to determine the kwacha's real market value.

Foreign currency inflows are currently deployed to clear arrears on key imports such as fuel, fertilizer, and pharmaceuticals. Malawi remained heavily reliant on donor funding and grants to manage its fragile balance of payments. However, foreign currency availability modestly deteriorated in October, with foreign exchange reserves dwindling despite continued tobacco sales that had previously supported reserves. The Reserve Bank of Malawi noted this decline, highlighting the challenges facing external liquidity amid ongoing economic pressures.

The Economist Intelligence Unit (EIU) forecast that the kwacha will depreciate gradually over the forecast period as the central bank allows greater exchange-rate flexibility—to MK2,438:US$1 at end-2026 and MK3,250:US$1 at end-2029—in line with IMF guidance under a new funded programme. This will also reflect the paucity of foreign exchange reserves, which we forecast will remain low in 2025-26, at an average of 0.9 months of import cover, before rising to 1.8 months at end-2029. By 2029 the kwacha will be trading close to its fair value (with a narrower spread between the official and the parallel-market rates), reflecting achievement of the policy goal of exchange-rate flexibility, coupled with lower inflation. On this basis, we expect steady real effective depreciation over the course of 2026-29.

POSSIBLE IMPACT: *Lower foreign exchange inflows coupled with a large appetite for imports are likely to maintain downward pressure on the value of the Kwacha as foreign reserves continue to decline, resulting in further depreciation of the Kwacha. This will also induce inflationary pressures stemming from increased price of imports in domestic currency terms.*

Inflation

Malawi's year-on-year headline inflation rose to 29.1% in September 2025, up from 28.7% in August 2025, driven primarily by rising non-food prices. Food inflation decreased slightly from 33.0% to 32.3%, while non-food inflation increased from 21.7% to 23.8%. This increase can be attributed to rising prices in essential food items such as vegetables, sugar, eggs, meat, and cooking oil.

The Malawi government finalized paperwork with the Zambian government to purchase 200,000 metric tons of maize. However, even after this import, Malawi faces a remaining deficit of 340,000 metric tons. This shortfall is expected to keep inflation rising, as supply pressures persist despite the cross-border purchase. The deal underscores ongoing food insecurity challenges, with maize prices likely to remain elevated until domestic production and reserves improve.

The EIU marginally revised down its 2025 inflation forecast to average 27.6% over full year down from 28.1% previously. This will be a result of high base effects and will moderate the rate of price growth.

The Monetary Policy Committee will continue to monitor inflation and, if necessary, will raise the policy rate to contain inflation.

POSSIBLE IMPACT: *Rising prices reduce the purchasing power of households and lower the consumption of important items, especially food. Poor households will suffer disproportionately from food inflation, given the large share of food in their consumption basket. Persistently high inflation also limits the central bank's ability to ease the policy rate, keeping the cost of capital elevated and constraining investment and economic activity.*

External Sector

In September 2025, Malawi's total goods trade deficit narrowed to US$190.0 million, improving from the previous month's deficit of US$224.1 million. This was driven by a 24.0% increase in exports and a 2.2% (US$7.4 million) decrease in imports. The deficit also marked an improvement compared to minus US$190.8 million recorded in September 2024.

Total exports rose by 24.0 percent to US$137.3 million from US$110.7 million in August 2025 and compared with US$123.4 million recorded in the similar month of 2024. The increase was primarily due to an improvement in sales of tobacco and sugar, recorded at US$94.2 million and US$5.3 million, respectively, from US$75.2 million and US$4.3 million in the previous month. However, sales of tea and pulses fell to US$3.9 million and US$0.7 million from US$5.4 million and US$9.2 million, respectively.

Total imports dropped by 2.2 percent to US$327.3 million from US$334.8 million in the preceding month. Notable declines in imports were observed in purchases of fuel, fertilizer and cereals, which amounted to US$58.3 million, US$26.8 million and US$3.5 million from US$67.9 million, US$38.6 million and US$12.3 million in August 2025, respectively. Meanwhile, other imports such as vehicles and printed books, newspapers & pictures registered an increase to US$25.9 million and US$20.0 million, respectively, from US$16.0 billion and US$11.1 million in August 2025. Total imports were recorded at US$314.2 million in September 2024.

However, Malawi's import requirements, primarily for fuel, food, and manufactured goods, will remain substantial. The primary income account deficit will remain large but is expected to narrow slightly over the forecast period as debt restructuring eases the external debt-repayment schedule.

POSSIBLE IMPACT: *A widening current account deficit will continue to exert further downward pressure on the Kwacha against currencies of Malawi's trading partners. Malawi will need to improve its competitiveness and diversify its export base to improve its trade position.*

Monetary Policy

During the third Monetary Policy Committee (MPC) meeting on October 30th and 31st, 2025, the committee maintained the policy rate at 26.0%. The committee observed that Committee observed that inflation edged up slightly from 28.0 percent in the previous quarter to 28.1 percent in the third quarter of 2025. The Committee revised its inflation forecast for 2025 upward to 28.9 percent from the 28.5 percent projected at its third meeting, citing increased pump fuel prices as a key driver. Persistent supply-side constraints and limited fiscal consolidation continue to keep inflation elevated, slowing the pace of disinflation.

The national maize requirement is 3.5 million tons, but the estimated output stood at only 2.9 million tons, indicating a deficit that is likely to further increase food prices.

The MPC welcomed the government's move to import maize to address food shortages, which is expected to ease food-related inflation. It stressed the need for deliberate fiscal consolidation complemented by supply-side reforms to tackle structural bottlenecks and stabilize the macroeconomy. These combined efforts are essential to successfully curb inflation and support sustainable growth.

Inflationary headwinds will continue to linger, arising from fiscal slippages (which trigger money-supply growth and drive inflation), local currency weakness due to exchange-rate liberalization and higher government expenditure due to the general elections in 2025. These factors will compel the RBM to maintain a tight monetary policy in 2025 but will likely initiate cuts to the policy rate in 2026-27 as inflation falls toward the target and support growth. The Economic Intelligence Unit (EIU) expects the policy rate to fall to 24.0% by the end of 2026, maintaining a positive real interest rate.

POSSIBLE IMPACT: *Rising interest rates may result in a slowdown of inflation due to a decrease in consumption spending. However, this will be at a cost of rising costs of borrowing which will hamper investments in the real economy and hinder economic growth.*

Fiscal Policy

The Malawi government planned and finalized paperwork to import 200,000 metric tons of maize from Zambia, valued at about K134.8 billion (US$77.0 million). However, the purchase was delayed during the month as Malawi struggled to pay the required 40.0% down payment of roughly K53.9 billion (US$30.8 million). To help with the purchase, Malawi received a US$45 million emergency food security grant from the World Bank in October 2025, critical to bridging financing gaps amid severe food insecurity.

Given these funds fall short of the total cost, Malawi will need to borrow to finance the maize purchase.

This borrowing will widen the budget deficit in a country already burdened with debt amounting to around 86.0% of GDP. Maize imports are part of an urgent response to food shortages affecting millions, with the government facing logistical and financial hurdles to secure and distribute supplies effectively.

POSSIBLE IMPACT: *The Government faces significant risks to its target of reducing the fiscal deficit, including decrease in support from the country's development partners. The fiscal deficit is likely to increase in the short to medium term, putting further upward pressure on interest rates due to increased borrowing to finance the budget.*

Economic Growth

Malawian economy is expected to grow by an average of 2.18% in 2025 from 1.65 in 2024. See table below:

Real GDP Growth Projections				
	2022	2023	2024	2025
EIU	0.70%	1.60%	1.30%	1.60%
IMF	0.90%	1.50%	1.80%	2.40%
WORLD BANK	0.90%	1.40%	1.80%	1.90%
GOVERNMENT	1.19%	1.50%	1.70%	2.80%
Average Real GDP	**0.92%**	**1.50%**	**1.65%**	**2.18%**

(Source: EIU, IMF, WBG, MoF)

The maize deficit in Malawi threatens economic growth by driving up food prices and inflation, eroding household purchasing power. This forces heavy maize imports, straining scarce foreign exchange reserves and worsening the trade deficit, which fuels currency depreciation and raises import costs. Higher food prices reduce consumer spending, slowing other sectors. Agricultural productivity suffers due to drought and high input costs, cutting labor opportunities and weakening growth further. This cycle of food insecurity, inflation, and currency pressure complicates economic stability and recovery efforts in Malawi.

The EIU forecasts real GDP growth of just 1.6% in 2025, up from an estimated 1.3% in 2024, as hard-currency shortages and drought conditions hamper agricultural output and worsen erratic power supply, negatively impacting private consumption (as agriculture remains the main source of livelihoods), investment, and net exports. Assuming progress with debt restructuring and the eventual resumption of a funded IMF programme from early 2026, which will play a major role in attracting donor funding and supporting investor confidence, growth will gradually pick up, averaging 2.7% a year in 2026-29.

The continuation of operations of uranium mining at the Kayelekera mine (after the site was mothballed in 2013) will boost export revenue from 2026 (with output reaching full capacity towards the end of the forecast period). Two other sites—the Kangankunde mine owned by Australian mining firm Lindian Resources Ltd and the Kanyika mine owned by Globe Metals (also of Australia)—are scheduled to be operational by 2027, although both projects have already faced considerable delays, and further setbacks are likely. We expect stronger export growth from the mining sector in the latter part of our forecast period.

POSSIBLE IMPACT: *Malawi's weak business environment, fiscal indiscipline and rising current account deficit will continue to stunt economic growth in the short to medium term. However, successful implementation of the MW2063 agenda enhances the future economic growth prospects of the country in the long term*

ECONOMIC RISKS

ECONOMIC RISK	IMPACT ON ECONOMY	MITIGATING MEASURES
Escalation of Geopolitical Conflicts (e.g., Russia-Ukraine, Middle East tensions)	1. Prolonged supply chain disruptions, especially energy and food. 2. Surging commodity prices (oil, gas, grains). 3. Heightened imported inflation. 4. Reduced global trade volumes.	1. Diversify supply chains away from conflict zones. 2. Build strategic reserves for energy and food. 3. Strengthen regional trade agreements. 4. Promote domestic production of critical goods.
Climate Change/ Natural Disasters	1. Persistent agricultural losses due to droughts, floods, and heatwaves. 2. Widespread infrastructure damage. 3. Rising insurance costs and unbudgeted recovery spending. 4. Displacement of populations affecting labour markets.	1. Invest in climate-resilient agriculture (e.g., drought-resistant crops). 2. Upgrade infrastructure with adaptive designs. 3. Expand early warning systems and disaster response. 4. Diversify economic reliance beyond vulnerable sectors.
Persistent Inflation and Cost-of-Living Crisis	1. Sustained high cost of living eroding purchasing power. 2. Wage stagnation relative to prices. 3. Elevated borrowing costs impacting businesses and households. 4. Social unrest due to declining living standards.	1. Tighten monetary policy to control inflation. 2. Expand social safety nets (e.g., subsidies for essentials). 3. Encourage wage growth in key sectors. 4. Promote competition to reduce price gouging.
Rising Government Debt and Fiscal Strain	1. Larger budget deficits due to servicing high debt levels. 2. Crowding out private investment as borrowing competes for funds. 3. Risk of sovereign debt crises in vulnerable economies.	1. Implement fiscal consolidation through targeted spending cuts. 2. Broaden tax base and improve compliance. 3. Negotiate debt relief or restructuring with creditors.
Foreign Exchange Volatility and Shortages	1. Higher costs for imports, exacerbating inflation. 2. Reduced industrial output due to scarce raw materials 3. Currency depreciation straining forex reserves. 4. Fuel shortages disrupting transport and energy sectors.	1. Diversify exports to stabilize forex inflows. 2. Encourage remittances via incentives for diaspora. 3. Promote local manufacturing for import substitution. 4. Secure forex swaps or credit lines with allies. 5.
Insufficient Power Supply	1. Commercial productivity remains small scale as large-scale enterprises are difficult to implement with limited power supply. 2. Low industrial productivity in the manufacturing sector resulting in low economic productivity and dampening economic growth. 3. Deferment of development by investors due to lack of infrastructure	1. Encourage use of energy-saving bulbs. 2. Rehabilitate and develop new power plants. 3. Public-Private Partnerships to enhance energy production through alternative power sources. 4. The entrance of Independent Power Producers (IPPs) may help boost power generation.
High Population Growth and	1. Lower per capita income as resources	1. Enhance family planning education

Demographic Pressures	stretch thin. 2. Overburdened public services (health, education). 3. Youth unemployment fuelling social instability.	and access. 2. Invest in education and skills training for youth. 3. Stimulate job creation in urban and rural areas.
Uncertainty in External Environment and Trade Protectionism	1. Falling demand for exports due to global slowdowns. 2. Reduced foreign investment amid protectionist policies. 3. Lower remittances as host economies tighten borders. 4. Barriers to accessing international finance.	1. Diversify export markets and products. 2. Strengthen domestic investment climate. 3. Negotiate trade deals to counter protectionism. 4. Build resilience through regional economic blocs

APPENDIX

Appendix 1: Selected economic indicators for Malawi (RBM, MSE, MERA, NSO)

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
Exchange Rates													
MK: US$	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01	1,734.01
MK: GBP	2,313.80	2,269.87	2,240.22	2,218.25	2,310.59	2,246.47	2,392.21	2,407.39	2,451.51	2,370.42	2,410.07	2,400.96	2,349.17
MK: ZAR	101.15	98.82	95.03	96.24	96.63	98.00	96.39	100.61	100.72	99.39	100.78	103.64	103.34
MK: EUR	1,938.02	1,887.66	1,857.65	1,855.51	1,854.62	1,926.24	2,033.40	2,026.61	2,096.62	2,044.47	2,083.05	2,096.44	2,066.62
Forex reserves (Source: RBM)													
Total Reserves (US$mn)	560.30	519.00	516.90	530.90	569.50	536.00	530.00	521.00	555.90	607.70	521.90	511.80	N/A
Total Import Cover (months)	2.20	2.10	2.10	2.10	2.30	2.10	2.10	2.10	2.20	2.40	2.10	2.00	N/A
% Inflation (NSO)													
Headline Inflation	32.40	27.00	28.10	28.50	30.70	30.50	29.20	27.70	27.10	27.30	28.20	28.70	29.11
Food	40.30	33.70	35.60	36.00	38.50	37.30	35.80	32.70	31.60	32.40	33.70	33.00	32.38
Non Food	21.20	17.20	16.80	16.90	18.50	19.20	19.40	20.00	20.10	19.30	19.50	21.70	23.78
Interbank Rates (Source: RBM)													
Monetary Policy Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%
Average Interbank Rate	24.23%	24.20%	20.39%	24.20%	24.20%	23.18%	23.20%	23.20%	23.90%	23.98%	23.98%	23.98%	23.98%
Average Base Lending Rates	25.40%	25.40%	25.50%	25.20%	25.10%	25.10%	25.10%	25.20%	25.10%	25.30%	25.40%	25.30%	25.40%
Treasury Bill Yields (Source: RBM)													
91 day Treasury Bill Yield	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%
182 day Treasury Bill yield	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
364 day Treasury Bill yield	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%
Stock Market Indices (Point) (Source:													
MASI	147,216.86	163,189.14	172,039.93	223,474.92	283,722.24	291,644.54	289,692.81	283,146.74	329,922.87	386,281.85	535,303.19	579,212.79	602,600.89
DSI	115,350.80	127,560.53	131,362.56	173,854.75	197,589.16	205,607.20	213,500.56	213,341.45	248,718.38	289,041.04	412,549.45	441,898.89	437,930.45
FSI	19,978.82	22,536.25	27,738.47	31,921.06	70,073.16	68,836.03	56,537.57	49,302.03	57,277.29	69,606.94	81,906.38	94,071.23	124,300.17
Fuel Prices per Litre (Source: MERA)													
Petrol	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	2,530.00	3,499.00	3,499.00
Diesel	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	2,734.00	3,500.00	3,500.00
Paraffin	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00	1,910.00

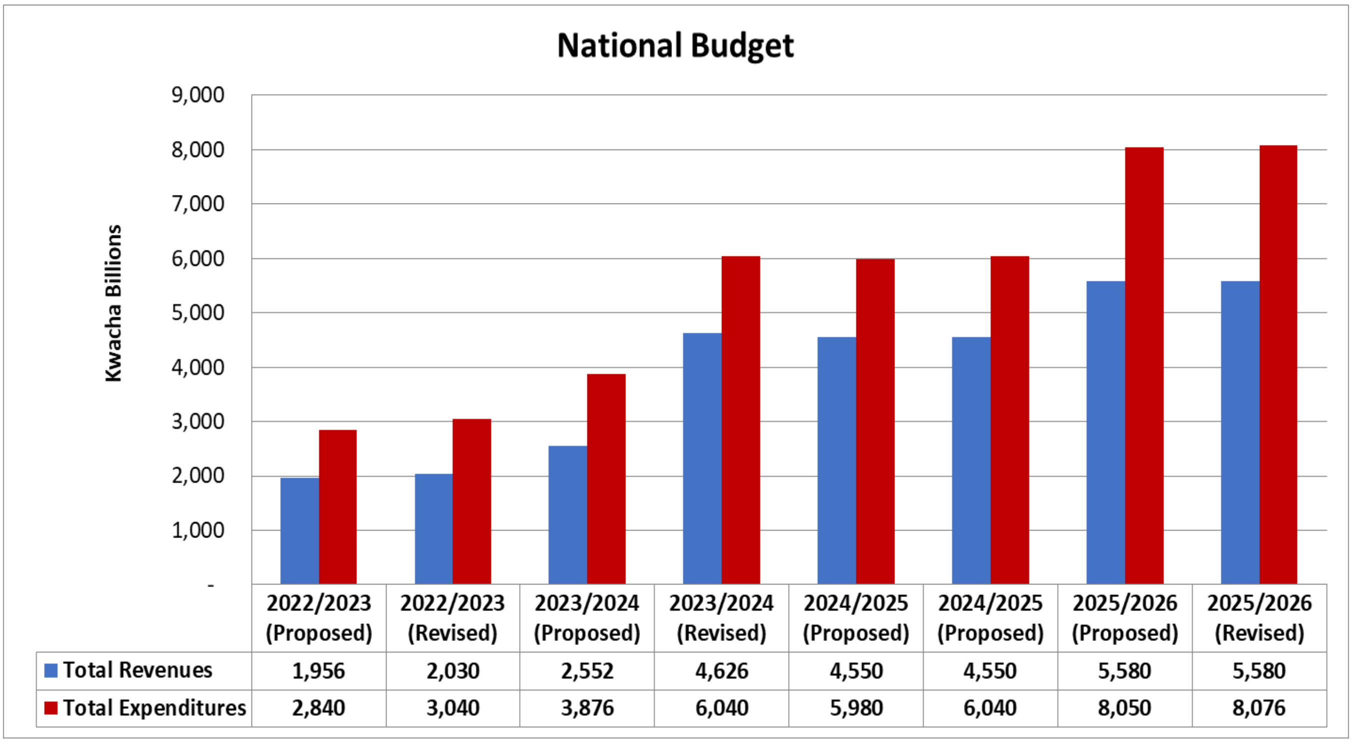
Appendix 2: Selected economic indicators for Tanzania, Uganda, Zambia and Mozambique

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
TANZANIA													
Exchange rate													
US$	2,693.13	2,620.50	2,394.76	2,695.00	2,581.29	2,649.98	3,053.62	2,583.82	2,618.32	2,545.79	2,466.06	2,442.85	2,451.64
GBP	3,493.67	3,319.88	3,015.60	3,546.08	3,263.78	3,426.42	3591.74	3496.81	3598.89	3387.18	3329.64	3285.14	3260.44
ZAR	152.33	144.37	127.81	151.91	151.91	144.78	144.78	143.67	147.30	141.73	139.56	141.45	142.01
EUR	2,917.07	2,764.57	2,501.92	2,985.32	2,696.67	2,858.47	3,053.62	2,976.56	3,073.65	2,920.54	2,876.63	2,870.83	2,854.69
Inflation %	3.00	3.10	3.10	3.10	3.20	3.30	3.20	3.20	3.30	3.30	3.40	3.40	3.50
UGANDA													
Exchange rate													
US$	3,711.63	3,667.00	3,681.14	3,720.82	3,677.71	3,662.55	3,665.64	3,630.86	3,594.41	3,585.09	3,552.14	3,490.18	3,481.00
GBP	4,800.00	4,690.00	4,670.00	4,899.20	4,899.20	4,745.93	4,905.73	4,892.95	4,934.41	4,792.55	4,792.73	4,533.20	4,704.71
EUR	3,975.00	3,885.00	3,850.00	4,121.55	4,121.55	3,969.47	4,167.47	4,120.30	4,214.45	4,145.80	4,142.51	4,095.90	4,044.22
Inflation %	2.90	2.90	3.30	3.60	3.70	3.40	3.50	3.80	3.90	3.80	3.80	4.00	3.40
Central Bank Rate %	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75
ZAMBIA													
Exchange rate													
US$	26.76	26.92	27.89	26.12	26.12	28.21	27.96	26.62	23.81	22.98	23.58	23.87	22.21
GBP	34.70	34.02	34.96	34.40	35.95	36.98	37.27	35.87	32.61	30.34	31.74	32.02	29.11
ZAR	1.51	1.49	1.52	1.48	1.55	1.56	1.50	1.48	1.34	1.27	1.33	1.38	1.28
Inflation %	15.70	16.50	16.70	16.70	16.80	16.50	16.50	15.30	14.10	13.00	12.60	12.30	11.90
Central Bank Rate %	13.50	14.00	14.00	14.00	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50
MOZAMBIQUE													
Exchange Rate													
US$	63.90	63.90	63.91	64.54	63.90	63.90	63.27	63.90	63.90	63.91	63.91	63.91	63.90
ZAR	3.63	3.54	3.47	3.65	3.49	3.49	3.42	3.62	3.62	3.63	3.65	3.66	3.52
EUR	69.54	67.52	66.44	71.43	69.64	69.12	72.18	72.95	75.22	74.79	74.70	73.87	74.00
Inflation%	2.68	2.84	4.15	2.75	4.74	4.77	3.99	4.00	4.50	3.96	4.79	4.93	4.83

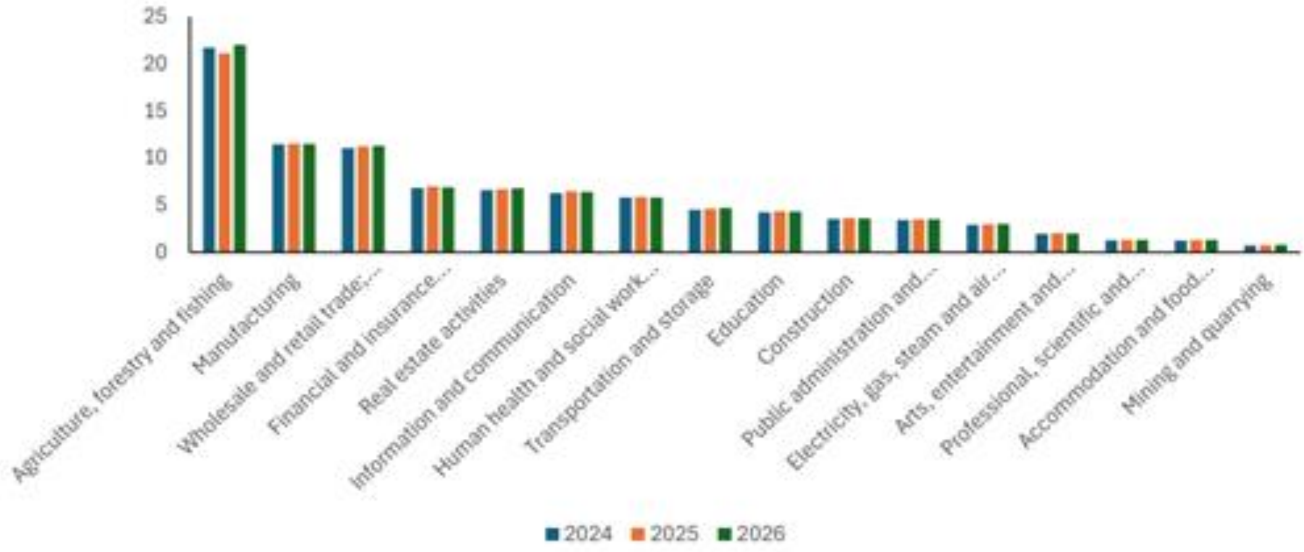
(Source: Bank of Zambia, Bank of Tanzania, Bank of Mozambique, Bank of Uganda)

Appendix 3: Budget Framework (Source: Ministry of Finance)

K'Billion	2022/2023 (Proposed)	2022/2023 (Revised)	2023/2024 (Proposed)	2024/2024 (Revised)	2024/2025 (Proposed)	2024/2025 (Revised)	2025/2026 (Proposed)	2025/2026 (Revised)
Total Revenues	**1,956**	**2,030**	**2,552**	**4,626**	**4,550**	**4,550**	**5,580**	**5,580**
Domestic revenues	1,636	1,628	2,240	3,386	3,380	3,380	3,386	
Grants	320		312	1,240	1,170	1,170	1,140	
Budgetary support								
Earmarked grants								
Total Expenditure	**2,840**	**3,040**	**3,876**	**6,040**	**5,980**	**6,040**	**8,050**	**8,076**
Reccurent expenditure	2,019		2,980	4,456		2,217	6,040	
Wages & Salaries	670						1,530	
Interest on debt	524						2,170	
Investment Expenditure	821		896	1,584	1,770	1,770	2,010	
Deficit/Surplus	**(883)**	**(1,010)**	**(1,325)**	**(1,414)**	**(1,430)**	**(1,490)**	**(2,470)**	**(2,496)**
Deficit as a % of Revenue	**-45%**	**-50%**	**-52%**	**-31%**	**-31%**	**-33%**	**-44%**	**-45%**



Appendix 4: GDP per sector (Source: RBM)

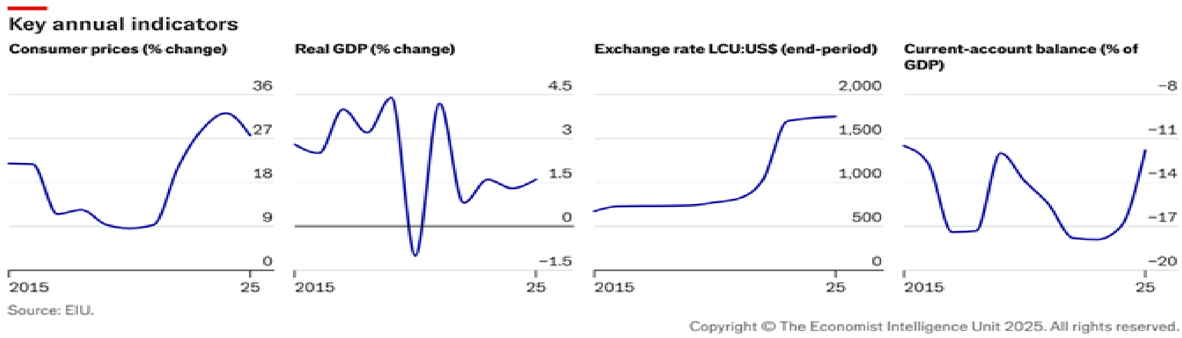


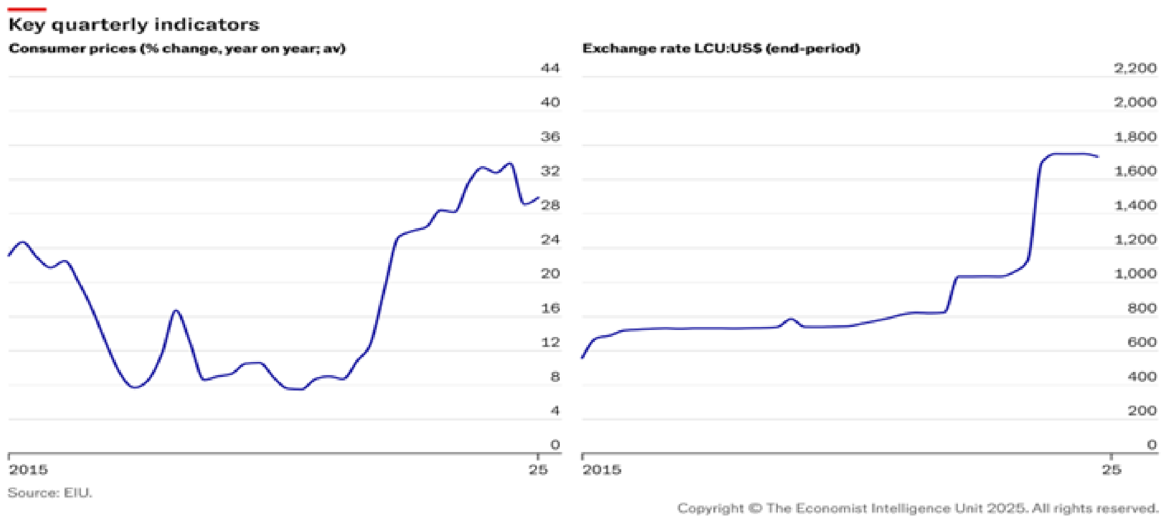
Source: National Statistical Office, Reserve Bank, Ministry of Finance and Economic Affairs

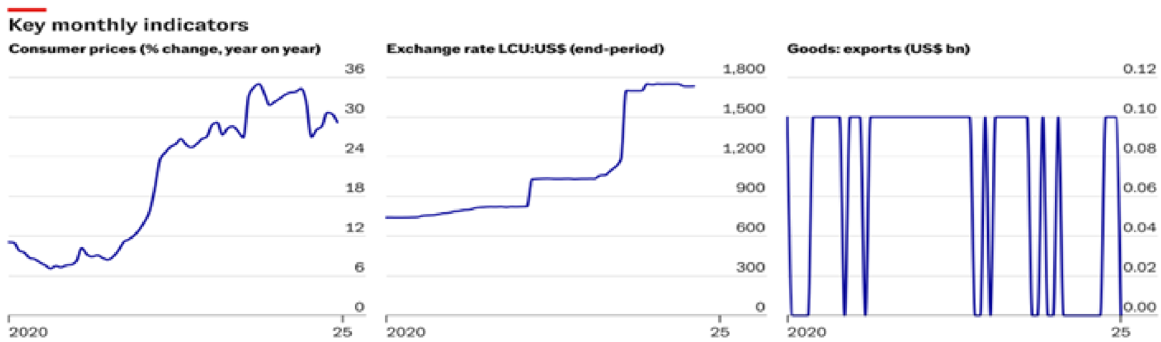
Appendix 5: Merchandise Trade (US$' millions) (Source: RBM)

Source: National Statistical Office

Appendix 6: Comparable Indicators (Source: EIU)







Appendix 7: Global Projections (Source: World Bank)

	2022	2023	2024e	2025f	2026f	2027f	2025f	2026f
World	**3.3**	**2.8**	**2.8**	**2.3**	**2.4**	**2.6**	**-0.4**	**-0.3**
Advanced economies	**2.9**	**1.7**	**1.7**	**1.2**	**1.4**	**1.5**	**-0.5**	**-0.4**
United States	2.5	2.9	2.8	1.4	1.6	1.9	-0.9	-0.4
Euro area	3.5	0.4	0.9	0.7	0.8	1.0	-0.3	-0.4
Japan	0.9	1.4	0.2	0.7	0.8	0.8	-0.5	-0.1
Emerging market and developing economies	**3.8**	**4.4**	**4.2**	**3.8**	**3.8**	**3.9**	**-0.3**	**-0.2**
East Asia and Pacific	3.6	5.2	5.0	4.5	4.0	4.0	-0.1	-0.1
China	3.1	5.4	5.0	4.5	4.0	3.9	0.0	0.0
Indonesia	5.3	5.0	5.0	4.7	4.8	5.0	-0.4	-0.3
Thailand	2.6	2.0	2.5	1.8	1.7	2.3	-1.1	-1.0
Europe and Central Asia	1.5	3.6	3.6	2.4	2.5	2.7	-0.1	-0.2
Russian Federation	-1.4	4.1	4.3	1.4	1.2	1.2	-0.2	0.1
Türkiye	5.5	5.1	3.2	3.1	3.6	4.2	0.5	-0.2
Poland	5.3	0.2	2.9	3.2	3.0	2.9	-0.2	-0.2
Latin America and the Caribbean	4.0	2.4	2.3	2.3	2.4	2.6	-0.2	-0.2
Brazil	3.0	3.2	3.4	2.4	2.2	2.3	0.2	-0.1
Mexico	3.7	3.3	1.5	0.2	1.1	1.8	-1.3	-0.5
Argentina	5.3	-1.6	-1.8	5.5	4.5	4.0	0.5	-0.2
Middle East and North Africa	5.4	1.6	1.9	2.7	3.7	4.1	-0.7	-0.4
Saudi Arabia	7.5	-0.8	1.3	2.8	4.5	4.6	-0.6	-0.9
Iran, Islamic Rep. [2]	3.8	5.0	3.0	-0.5	0.3	1.8	-3.2	-1.9
Egypt, Arab Rep. [2]	6.6	3.8	2.4	3.8	4.2	4.6	0.3	0.0
South Asia	6.0	7.4	6.0	5.8	6.1	6.2	-0.4	-0.1
India [2]	7.6	9.2	6.5	6.3	6.5	6.7	-0.4	-0.2
Bangladesh [2]	7.1	5.8	4.2	3.3	4.9	5.7	-0.8	-0.5
Pakistan [2]	6.2	-0.2	2.5	2.7	3.1	3.4	-0.1	-0.1
Sub-Saharan Africa	3.9	2.9	3.5	3.7	4.1	4.3	-0.4	-0.2
Nigeria	3.3	2.9	3.4	3.6	3.7	3.8	0.1	0.0
South Africa	2.1	0.8	0.5	0.7	1.1	1.3	-1.1	-0.8
Angola	3.0	1.0	4.4	2.7	2.6	3.2	-0.2	-0.3
Memorandum items:								
Real GDP[1]								
High-income countries	2.9	1.7	1.9	1.3	1.5	1.7	-0.5	-0.4
Middle-income countries	3.9	4.8	4.4	4.1	4.0	4.0	-0.2	-0.1
Low-income countries	4.4	2.8	4.6	5.3	6.1	6.0	-0.4	0.2
EMDEs excluding China	4.2	3.7	3.6	3.4	3.7	4.0	-0.4	-0.2
Commodity-exporting EMDEs	3.3	2.7	3.1	2.9	3.2	3.4	-0.3	-0.2
Commodity-importing EMDEs	4.0	5.2	4.7	4.3	4.1	4.2	-0.2	-0.1
Commodity-importing EMDEs excluding China	5.4	4.9	4.2	3.9	4.4	4.6	-0.5	-0.2
EM7	3.5	5.4	4.8	4.1	3.9	3.9	-0.1	0.0
World (PPP weights) [3]	3.5	3.4	3.3	2.9	3.0	3.1	-0.3	-0.2
World trade volume [4]	**5.9**	**0.8**	**3.4**	**1.8**	**2.4**	**2.7**	**-1.3**	**-0.8**

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“To provide innovative investment and financial solutions that grow our client's’ wealth”

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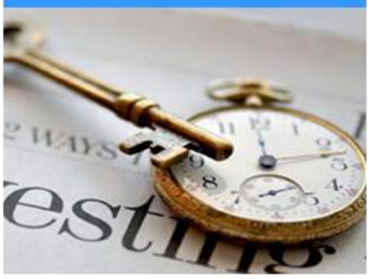
- Feasibility studies
- Company valuation
- Mergers and Acquisitions
- Company set up

Investor Services



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