



## 1. Money Market

### Government Securities

The Government Treasury Bill auctions held during the week raised a total of K10.16 billion from total applications of K10.16 billion, resulting in a nil rejection rate. The average yield for 182 days and 364 days tenors were 13.00% and 15.00% respectively, there were no applications for the 91 days tenor (previous week: 91 days: 9.74%, 182 days: 13.00%, 364 days: 15.00%). Total maturities for the week stood at K2.67 billion, resulting in a net withdrawal of K7.49 billion.

### Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) decreased to a daily average of K62.48 billion from K70.97 billion recorded in the previous week. The volume on Interbank overnight borrowing decreased to a daily average of K13.00 billion at 11.70% (previous week: K14.80 billion at 11.70%). Access to the Lombard facility during the week in review averaged K19.03 billion at an average rate of 12.20% (previous week: K39.20 billion at 12.20%) (Source: RBM).

## 2. Stock Market

The MASI closed the week at 46,013.69 points (previous week: 45,956.50 points), the Domestic Share Index (DSI) closed at 37,646.44 points (previous week: 37,615.73 points) and the Foreign Share Index (FSI) closed at 4,210.47 points (previous week: 4,184.71 points). The increase in the MASI and DSI was due to share price gains in FDH Bank, NBS, NBM, and Standard Bank despite share price loss in ICON. The increase in FSI was due to share price increase in FMBCH. A total volume of 3.70 million shares were traded during the week at a value of K163.05 million in 83 deals (Source: MSE).

## 3. Local Market Developments

A 20-year US\$663.00 million National Tourism Investment Masterplan was unveiled on 5 April 2022. The plan involves engaging local communities and councils, which will evoke a spirit of ownership to ensure the effectiveness of the projects. President Lazarus Chakwera hailed the plan saying that it was a good initiative to ensure the Malawi 2063 strategy comes into fruition. The plan has 10 key regional projects, which once implemented will boost Malawi's tourism sector and transform the economy. The implementation of the plan includes engaging private sector investors through Private Public Partnerships (PPPs) (Source: MTC).

## 4. Regional Developments in the Week

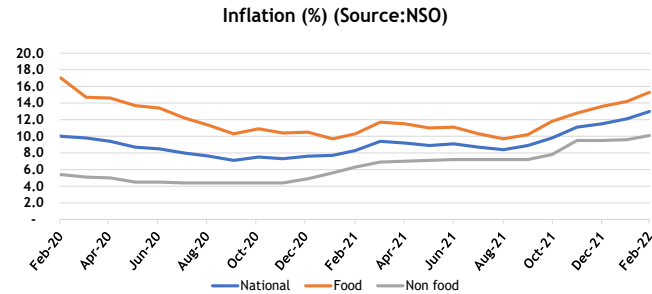
Statistics South Africa (Statssa) has revealed that the unemployment rate in South Africa grew by 0.40% to reach 35.30% in the fourth quarter of 2021. Statistician-General Risenga Maluleke said the fourth quarter of 2021 showed that the number of unemployed persons also increased by 278 000 to 7.9 million, compared to the third quarter of 2021. Youth unemployment remains very high at 66.50% leaving a high percentage of young people without income. This news comes just after a World Bank report released a month ago stated that South Africa remains the most unequal country in the world, ranking first out of 164 countries. South Africa's Gini coefficient, which measures disparities in consumption and income, sits at 63 in 2022 (Source: Statssa).

## 5. Global Developments in the Week

The Ukraine war has led the World Trade Organization (WTO) to cut its global trade growth forecast for 2022. The previous 4.70% growth forecast has been cut to 2.50% due to the impact of the war in Ukraine and related sanctions. The cut is also linked to continuing global supply chain problems that started because of the pandemic. Dr Okonjo-Iweala, the Director General of the WTO, stated that although Russia and Ukraine only make up about 2.50% of global merchandise exports, they are very significant in certain sectors like food production. She added that poorer countries would particularly feel the impact of the shortages and supply constraints on food as many products including wheat, corn and sunflower oil have been affected by Russia's invasion of Ukraine (Source: WTO).

Stock Market (Source: Malawi Stock Exchange)					
	Div yield %	P/E	P/BV	1-April-22	8-April-22
Counter				MK/Share	MK/Share
AIRTEL	5.00	20.91	19.18	42.00	42.00
BHL	0.00	(20.38)	1.37	11.01	11.01
FDH Bank	2.72	7.79	4.04	15.56	↑ 15.80
ICON	1.81	9.84	1.05	12.69	↓ 12.68
ILLOVO	5.89	10.65	2.47	305.42	305.42
MPICO	1.35	11.24	1.09	20.70	20.70
NBM	5.19	12.68	3.10	948.01	↑ 948.50
NBS Bank	5.04	9.41	3.46	22.79	↑ 22.80
NICO	4.18	5.73	1.43	55.00	55.00
NITL	2.61	3.15	0.84	109.00	109.00
PCL	1.81	57.37	1.30	1,900.00	1,900.00
Standard Bank	2.65	13.26	2.81	1,400.09	↑ 1,400.10
Sunbird	0.00	(19.96)	0.87	90.02	90.02
TNM	2.30	22.61	3.98	17.40	17.40
FMBCH	0.77	19.91	3.05	80.01	↑ 80.53
OMU	1.02	(37.51)	2.45	1,785.00	1,785.00
DSI	N/A	N/A	N/A	37,615.73	↑ 37,646.44
FSI	N/A	N/A	N/A	4,184.71	↑ 4,210.47
MASI	3.56	14.37	2.73	45,956.50	↑ 46,013.69
MASI= Malawi All Share Index, DSI= Domestic Share Index, FSI= Foreign Share Index					
		<b>2021</b>	<b>2022</b>		
<b>MASI Return (YTD)</b>		0.52%	1.42%		

### Inflation (Source: NSO)



### Forex Reserves (US\$ million) (Source: RBM)



### Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	1-Apr-22	8-Apr-22	% Change
MK/US Dollar	816.51	816.64	↓ -0.02%
MK/GBP	1,072.41	1,067.02	↑ 0.50%
MK/ZAR	55.88	55.34	↑ 0.97%
MK/EUR	903.80	886.79	↑ 1.88%

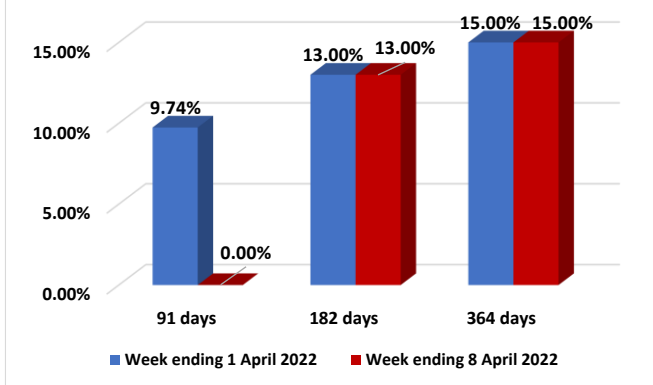
### Global Market Rates (Source: Reuters, WSJ, CNBC)

	1-Apr-22	8-Apr-22	Change
US Fed Rate	0.500%	0.500%	→ 0.000%
US Libor (3 months)	0.962%	0.986%	↑ 0.025%
US Libor (6 months)	1.470%	1.502%	↑ 0.032%
US Treasury yield (10 years)	2.428%	2.692%	↑ 0.264%
BOE Rate	0.500%	0.500%	→ 0.000%
ECB Rate	0.000%	0.000%	→ 0.000%

\*LIBOR = London Interbank Offered Rates \*BOE= Bank of England

\*ECB= European Central Bank

### Government Securities for Week ending 8 April 2022 (Source: RBM)



### Prevailing Government Security Interest Rates (Source: RBM)

TENORS	VOLUME (K'MILLION)	AVERAGE YIELD (%)
91 days TB	0.00	-
182 days TB	10.14	13.00
364 days TB	10,149.27	15.00
<b>TOTAL</b>	<b>10,159.41</b>	

### GDP growth projections (Source: EIU, IMF, WBG, MW Gov)

Real GDP Growth Projections				
	2019	2020	2021	2022
Malawi	4.10%	-1.00%	2.70%	3.10%
MF	4.00%	0.60%	2.20%	3.50%
WORLD BANK	4.40%	1.00%	2.40%	3.00%
GOVERNMENT	5.10%	0.90%	3.00%	4.10%
<b>Average Real GDP</b>	<b>4.40%</b>	<b>0.38%</b>	<b>2.58%</b>	<b>3.43%</b>

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