WEEKLY MARKET UPDATE

Week ending 18 April 2025

NICO Asset Managers

"INVEST today for tomorrow".

1. **Money Market**

   Government Securities

   The Government Treasury Bills auction held during the week raised a total of K31.26 billion from total applications of K31.26 billion, resulting in a nil rejection rate. The average yields for the 91 days, 182 days and 364 days tenors were 16.00%, 20.00% and 26.00% respectively (Previous week: 91 days: 16.00%, 182 days: 20.00%, and 364 days: 26.00). The auction on various Treasury Notes during the week in review raised K7.49 billion from total applications of K7.49, resulting in a nil rejection rate. Total maturities for the week stood at K122.92 billion, resulting in a net liquidity inflow of K84.17 billion (Source: RBM).

2. **Interbank Market**

   Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K67.55 billion from an average of K14.30 billion in the previous week. The volume on daily interbank overnight borrowing decreased to an average of K47.25 billion at 23.16% (Previous week K97.20 billion at 23.19%). A total of K287.00 billion was accessed on the Lombard window at an average rate of 26.2%. (Previous week: K318.30 billion at an average rate of 26.2%). (Source: RBM)

3. **Stock Market**

   The MASI closed the week at 293,362.87 points (Previous week: 294,562.18 points), the Domestic Share Index (DSI) closed at 213,370.18 points (Previous week: 213,654.05 points), and the Foreign Share Index (FSI) closed at 60,874.63 points (Previous week: 61,874.96 points). The decrease in the MASI was due to share price loses on FDH Bank, ILLOVO, NBS Bank, NICO, PCL and FMBCH. The gains were enough to offset gains on AIRTEL, MPICO, NITL, Standard Bank, TNM and OMU. A total of 1.47 million shares were traded, with a market turnover of K7.03 billion in 656 trades. (Source: MSE)

4. **Local Market Developments**

   - Malawi's year-on-year headline inflation declined to 30.5% in March 2025, down from 30.7% in February 2025. The decrease was primarily driven by falling food prices. Food inflation decreased from 38.5% to 37.7%, while non-food inflation increased from 18.5% to 19.2%. (Source: NSO)
   - The tobacco sales season concluded its second week at a slower pace compared to the same period in 2024. By the end of the week, both cumulative sales volume and average prices were trailing last year's levels. Total volume sold stood at 6.71 million kg, down 52.0% from 13.98 million kg in the previous season. The average price per kilogram fell by 14.0% to US$2.27, compared to US$2.64 recorded last year. (*Source: AHL)*

5. **Regional Developments in the Week**

   Tanzania has warned Malawi and South Africa that it will ban their agricultural imports and block transit through its territory if trade restrictions on Tanzanian goods are not lifted by April 23rd. The warning follows Malawi's March ban on imports of food and goods that can be locally produced. Tanzania's Agriculture Minister also threatened to halt fertilizer exports to Malawi. The standoff risks triggering a trade war within the Southern African Development Community (SADC) amid rising protectionist policies. (*Source: CNBC Africa*)

6. **Global Developments in the Week**

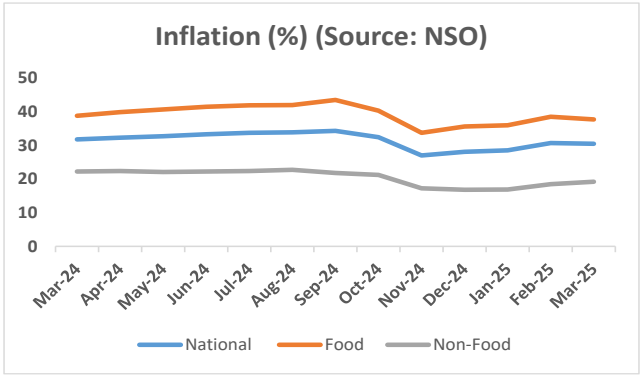
   The International Monetary Fund (IMF) says there will not be a global recession, despite trade tariff uncertainty. However, it warns of notable downgrades to global growth projections and falling global share prices, driven by U.S. President Trump's new tariffs. The World Trade Organisation (WTO) and Bank of England raised the same concerns over trade war, with firms cutting investment amid growing uncertainty. *(Source: Reuters)*

	Div yield %	P/E	P/BV	11-Apr-25		18-Apr-25
Counter				MK/Share		MK/Share
AIRTEL	-	(92.04)	(133.85)	129.03	↑	129.0
BHL	-	(107.89)	12.42	14.55		14.5
FDH Bank	1.50	29.31	22.29	314.70	↓	314.59
ICON	1.50	6.26	0.99	17.95		17.95
ILLOVO	0.28	56.48	8.59	1,791.65	↓	1,791.58
MPICO	2.00	7.98	0.76	18.98	↑	19.00
NBM	2.04	28.30	10.78	6,200.14		6,200.14
NBS Bank	3.17	13.70	8.92	344.88	↓	343.64
NICO	1.29	26.05	8.90	776.73	↓	776.72
NITL	1.55	3.24	1.31	715.01	↑	715.03
PCL	1.21	11.31	1.73	3,802.22	↓	3,802.21
Standard Bank	1.70	25.81	8.58	9,500.00	↑	9,500.01
Sunbird	2.57	14.95	1.62	300.14		300.14
TNM	-	(49.91)	5.69	23.00	↑	23.66
FMBCH	0.90	49.87	12.99	314.70	↓	314.59
OMU	3.69	14.67	1.95	1,950.03	↑	2,242.51
DSI	N/A	N/A	N/A	213,654.05	↓	213,370.1
FSI	N/A	N/A	N/A	61,874.96	↓	60,874.6
MASI	1.35	30.05	8.72	294,562.18	↓	293,362.8

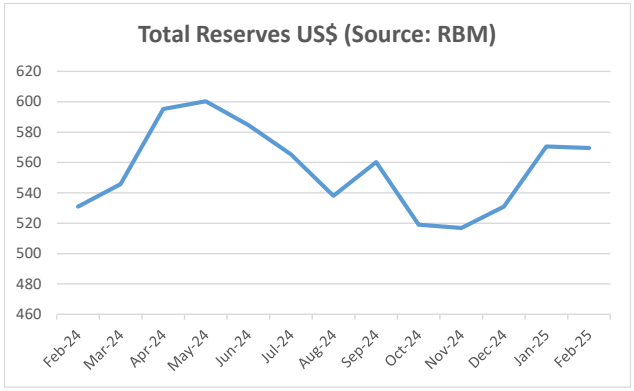
Stock Market (Source: Malawi Stock Exchange)

MASI= Malawi All Share Index, DSI= Domestic Share Index, FSI= Foreign Share Index

Inflation (Source: NSO)



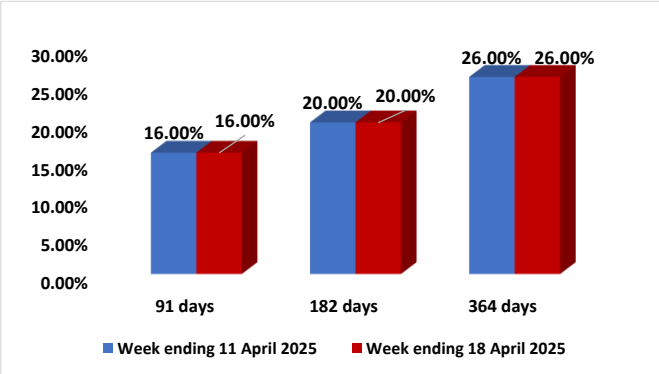
Foreign Exchange Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	11-Apr-25	18-Apr-25	% Change
MK/US Dollar	1,734.01	1,734.01	0.00%
MK/GBP	2,330.95	2,363.10	-1.38%
MK/ZAR	92.23	94.59	-2.56%
MK/EUR	2,024.24	2,029.47	-0.26%

Government Securities for week ending 18 April 2025 (Source: RBM)



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91- days	0.91	16.00
182-days	13.64	20.00
364-days	16.71	26.00
2-Years	7.49	28.75

Real GDP Growth Projections				
	2022	2023	2024	2025
EIU	0.70%	1.60%	1.30%	1.60%
IMF	0.90%	1.50%	1.80%	4.00%
WORLD BANK	0.90%	1.40%	1.80%	4.00%
GOVERNMENT	1.19%	1.50%	1.80%	3.20%
Average Real GDP	0.92%	1.50%	1.68%	3.20%

Contacts:

Head Office
NICO Asset Managers Limited, 19 Glyn Jones Road
Chibisa House, P.O. Box 3173, Blantyre
Tel No: 01 832 085/086

Lilongwe Branch
NICO Asset Managers Limited, Umodzi Park
P.O. Box 30729, Lilongwe 3
Tel No: 01 757 086

Email: invest@nicoassetmanagers.com Website: www.nicoassetmanagers.com NICO Asset Managers/Facebook

INVESTMENT MANAGEMENT | CORPORATE FINANCE | INVESTOR SERVICES