



NICO Asset Managers

“INVEST today for tomorrow”.

WEEKLY MARKET UPDATE

Week ending 6 June 2025

1. Money Market

Government Securities

The Government Treasury Bills auction held during the week raised a total of K20.87 billion from total applications of K20.87 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 K14.96 billion from total applications of K14.96 billion, resulting in a nil rejection rate. Total maturities for the week stood at K87.09 billion, resulting in a net liquidity inflow of K51.23 billion. (Source: RBM).

2. Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) improved to a daily average of minus K77.10 billion from an average of minus K88.97 billion in the previous week. The volume on daily interbank overnight borrowing decreased to an average of K35.50 billion at 23.66% (Previous week: K61.70 billion at 23.81%). A total of K498.50 billion was accessed on the Lombard window at an average rate of 26.2%. (Previous week: K112.30 billion at an average rate of 26.2%). (Source: RBM)

3. Stock Market

The MASI closed the week at 279,755.09 points (Previous week: 283,146.74 points), the Domestic Share Index (DSI) closed at 214,348.51 points (Previous week: 213,341.45 points), and the Foreign Share Index (FSI) closed at 44,161.74 points (Previous week: 49,302.03 points). The decrease in the MASI was due to share price losses on AIRTEL, BHL, FDH Bank, ILLOVO, NICO and FMBCH. The losses were enough to offset gains on MPICO, NBM, NBS Bank, NITL, PCL, Standard Bank and TNM. A total of 3.24 million shares were traded, with a market turnover of K1.1 billion in 524 trades. (Source: MSE)

4. Local Market Developments

IMF Downgrades Malawi's Economic Outlook

The International Monetary Fund (IMF) concluded its economic review mission to Malawi on June 3, 2025, and their preliminary report indicates a downgraded economic outlook for the country. In the report, the IMF Staff have cut Malawi's real GDP growth forecast for 2025 from 3.5% to 2.4%. Concurrently, they've raised the annual inflation outlook for the year, increasing the forecast from 24.2% to 29.0%. The report also includes recommended policy measures to address Malawi's macroeconomic challenges. (Source: IMF)

5. Regional Developments in the Week

Ghana's annual consumer inflation decreased by 2.8 percentage points, from 21.2% in April to 18.4% in May, driven by a decline in food prices. Food inflation declined from 25.0% in April to 22.8% in May. Non-food inflation also saw a modest decline, falling 3.5 percentage points to 14.4% from 17.9%. The overall trend indicates gradual easing of inflationary pressures for the country that is recovering from a severe economic crisis. (Source: CNBC Africa)

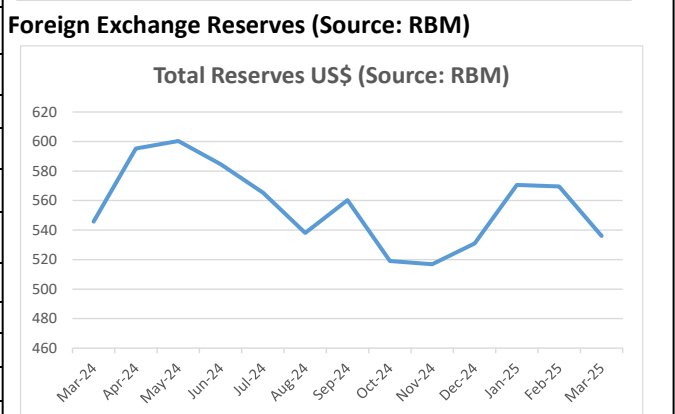
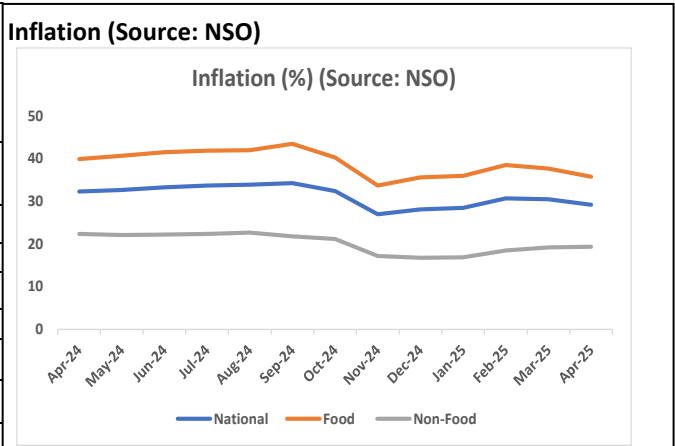
6. Global Developments in the Week

The European Central Bank (ECB) has announced its eighth interest rate cut in a year, lowering its benchmark rate from 2.25% to 2.00%. This decision aims to support growth in the euro area, driven by signs of cooling inflation and improved monetary transmission. However, ECB President Christine Lagarde signalled caution due to ongoing trade tensions with the United States, which pose a threat to economic growth. The ECB has maintained its 2025 GDP forecast at 0.9%, citing persistent geopolitical uncertainty and internal policy divisions as contributing factors. (Source: Reuters)

	Div yield %	P/E	P/BV	30-May-25	06-Jun-25
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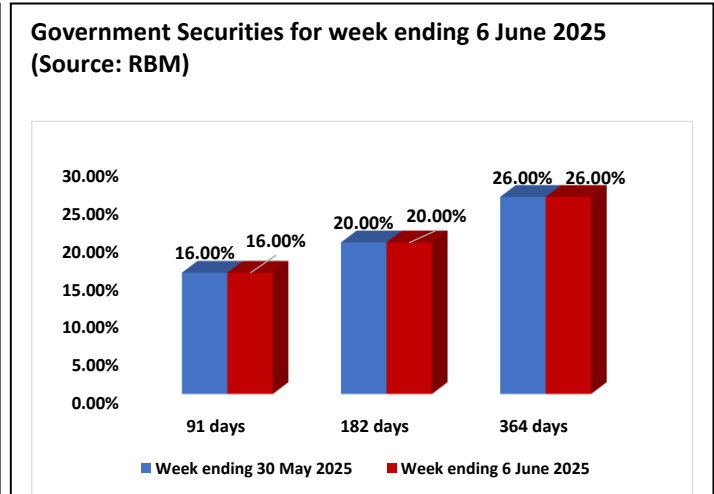
Counter				MK/Share	MK/Share
AIRTEL	1.56	32.93	43.81	127.95	↓ 127.91
BHL	-	(62.30)	1.32	14.56	↓ 14.52
FDH Bank	1.51	29.20	22.20	313.59	↓ 313.38
ICON	1.62	4.91	0.82	17.95	17.95
ILLOVO	0.28	56.47	8.59	1,791.39	↓ 1,791.37
MPICO	2.26	5.12	0.67	19.00	↑ 19.01
NBM	2.04	28.30	10.78	6,200.12	↑ 6,200.21
NBS Bank	3.07	14.16	9.22	338.65	↑ 355.21
NICO	2.58	11.25	5.20	776.41	↓ 776.38
NITL	1.35	3.72	1.50	715.22	↑ 820.00
PCL	0.28	7.44	1.38	3,999.97	↑ 3,999.98
Standard Bank	1.70	25.84	8.59	9,510.00	↑ 9,510.01
Sunbird	3.71	8.62	1.31	350.01	350.01
TNM	-	26.39	5.12	22.98	↑ 23.00
FMBCH	0.41	18.40	6.61	988.86	↓ 885.11
OMU	3.31	16.35	2.18	2,500.03	2,500.03
DSI	N/A	N/A	N/A	213,341.45	↑ 214,348.51
FSI	N/A	N/A	N/A	49,302.03	↓ 44,161.74
MASI	1.49	20.57	6.79	283,146.74	↓ 279,755.09

Stock Market (Source: Malawi Stock Exchange)
 MASI= Malawi All Share Index, DSI= Domestic Share Index, FSI= Foreign Share Index



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	30-May-25	6-Jun-25	% Change
MK/US Dollar	1,734.01	1,734.01	↔ 0.00%
MK/GBP	2,407.39	2,419.72	↓ -0.51%
MK/ZAR	100.61	100.60	↑ 0.01%
MK/EUR	2,026.61	2,042.15	↓ -0.77%



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
182-days	6.39	20.00
364-days	14.48	26.00
2-Years	12.62	28.75
3-Years	0.46	30.00
5-Years	0.28	32.00
7-Years	0.55	34.00
10-Years	1.05	35.00

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