NICO Asset Managers

"INVEST today for tomorrow".

WEEKLY MARKET UPDATE
Week ending 5 September 2025

1. **Money Market**
   Government Securities
   The Government Treasury Bills auction held during the week raised a total of K30.31 billion from total applications of K30.31 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: 16.00%, and 364 days: 26.00%). The auction on the 7-year Treasury Note during the week in review raised K17.10 billion from total applications of K17.10 billion, resulting in a nil rejection rate. Total maturities for the week stood at K21.47 billion, resulting in a net liquidity outflow of K25.94 billion. (*Source: RBM*).

2. **Interbank Market**
   Liquidity levels (excess reserves after Central Bank Operations) decreased to a daily average of K119.01 billion from an average of K156.48 billion in the previous week. The volume on daily interbank overnight borrowing decreased to an average of K46.20 billion at 23.98% (Previous week: K57.00 billion at 23.98%). No funds were accessed on the Lombard window (Previous week: K66.10 billion at an average rate of 26.2%). (*Source: RBM*)

3. **Stock Market**
   The MASI closed the week at 536,567.19 points (previous week: 535,303.19 points), while the Domestic Share Index (DSI) closed at 413,682.67 points (previous week: 412,549.45 points), and the Foreign Share Index (FSI) ended at 81,906.87 points (previous week: 81,906.38 points). The upward movement in the MASI was driven by share price gains on Illovo, NBM, NITL, Sunbird, TNM and FMBCH. The gains were enough to offset the marginal losses on AIRTEL, FDH Bank, NBS Bank, NICO and Standard Bank. A total of 6.59 million shares were traded during the week, generating a market turnover of K6.72 billion across 1,313 trades. (*Source: MSE*)

4. **Local Market Developments**
   The Agricultural Development and Marketing Corporation (ADMARC) has announced it will import 200,000 tons of maize from Tanzania and Zambia to ensure steady supply during the lean season. This decision follows a review of dwindling local stocks and surging prices that have squeezed rural and low-income urban households. The Treasury will finance the importation to ease price pressures caused by a 540,000-tons maize deficit. (*Source: The Nation*)

5. **Regional Developments in the Week**
   Ghana's year on year inflation rate continued its downward trajectory in August, falling to 11.5% from 12.1% in July, the lowest reading since October 2021. This marks the eighth consecutive month of disinflation, driven largely by easing food prices. Food inflation declined to 14.8% from 15.1%, while non-food inflation dipped to 8.7% from 9.5%. On a month-on-month basis, prices fell by 1.9%, signalling deflation, and sharply contrasting with the 0.7% increase recorded in July. (*Source: CNBC Africa*)

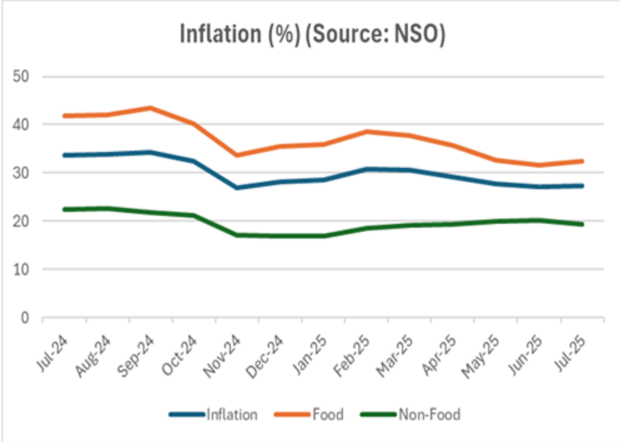
6. **Global Developments in the Week**
   U.S. job growth slowed sharply in August, with nonfarm payrolls increasing by just 22,000 — far below economists' forecast of 75,000 and a steep drop from July's 79,000 gain. The unemployment rate edged higher to 4.3% from 4.2% in July. Financial markets reacted swiftly to the disappointing report: major stock indexes fell and the dollar weakened shortly after the data was released. (*Source: Reuters*)

Counter	Div yield %	P/E	P/BV	29-Aug-25 MK/Share	05-Sep-25 MK/Share
AIRTEL	1.44	35.84	47.67	139.18	↓ 138.82
BHL	-	(64.36)	1.36	15.00	15.00
FDH Bank	0.72	61.50	46.76	659.88	↓ 619.90
ICON	1.62	4.91	0.82	17.95	17.95
ILLOVO	0.28	56.47	8.59	1,791.40	↑ 1,791.42
MPICO	2.20	5.25	0.69	19.51	19.51
NBM	1.68	34.24	13.05	7,501.02	↑ 8,196.77
NBS Bank	1.06	40.87	26.61	1,024.93	↓ 1,024.86
NICO	1.15	25.20	11.66	1,740.01	↓ 1,740.00
NITL	0.88	5.74	2.32	1,265.04	↑ 1,454.01
PCL	0.17	12.27	2.27	6,600.00	6,600.00
Standard Bank	2.49	88.30	29.35	6,498.99	↓ 6,497.47
Sunbird	2.83	11.33	1.72	460.01	↑ 460.02
TNM	-	41.06	7.96	35.79	↑ 35.89
FMBCH	0.22	34.31	12.33	1,650.40	↑ 1,650.41
OMU	3.31	16.33	2.17	2,500.06	2,500.06
DSI	N/A	N/A	N/A	412,549.45	↑ 413,682.67
FSI	N/A	N/A	N/A	81,906.38	↑ 81,906.87
MASI	1.30	39.44	13.02	535,303.19	↑ 536,567.19

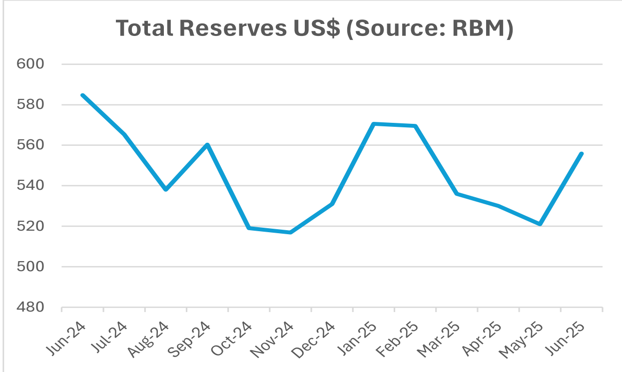
Stock Market (Source: Malawi Stock Exchange)

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

Inflation (Source: NSO)



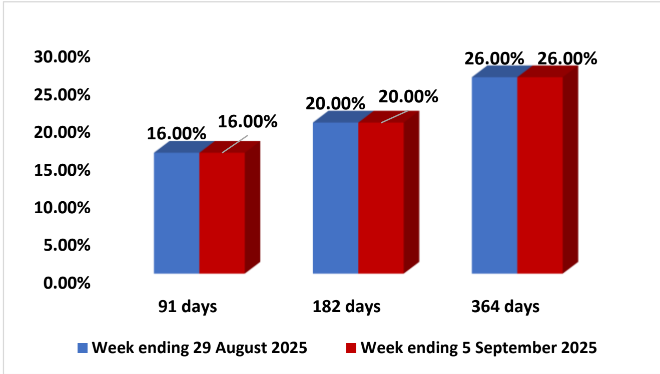
Foreign Exchange Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	29-Aug-25	5-Sep-25	% Change
MK/US Dollar	1,734.01	1,734.01	→ 0.00%
MK/GBP	2,410.07	2,404.89	↑ 0.21%
MK/ZAR	100.78	100.84	↓ -0.06%
MK/EUR	2,083.05	2,084.48	↓ -0.07%

Government Securities for week ending 5 September 2025 (Source: RBM)



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91-days	0.06	16.00
182-days	16.11	20.00
364-days	14.14	26.00
7-Year	17.10	34.00

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%	2.00%
GOVERNMENT	1.19%	1.50%	1.70%	2.80%
Average Real GDP	**0.92%**	**1.50%**	**1.65%**	**2.20%**

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