WEEKLY MARKET UPDATE
Week ending 12 September 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 K34.86 billion from total applications of K55.54 billion, resulting in a 37.2% 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 2-year Treasury Note during the week in review raised K5.58 billion from total applications of K5.58 billion, resulting in a nil rejection rate. Total maturities for the week stood at K60.56 billion, resulting in a net liquidity inflow of K20.13 billion. (*Source: RBM*).

2. **Interbank Market**
   Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K191.26 billion from an average of K119.01 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K51.20 billion at 23.98% (Previous week: K46.20 billion at 23.98%). No funds were accessed on the Lombard window (Previous week: No funds were accessed). (*Source: RBM*)

3. **Stock Market**
   The MASI closed the week at 550,094.60 points (previous week: 536,567.19 points), while the Domestic Share Index (DSI) closed at 421,439.55 points (previous week: 413,682.67 points), and the Foreign Share Index (FSI) ended at 87,212.79 points (previous week: 81,906.87 points). The upward movement in the MASI was driven by share price gains on BHL, Illovo, MPICO, NBM, NITL and FMBCH. The gains were enough to offset the marginal losses on AIRTEL, FDH Bank, NBS Bank, Standard Bank and TNM. A total of 6.65 million shares were traded during the week, generating a market turnover of K6.06 billion across 1,363 trades. (*Source: MSE*)

4. **Local Market Developments**
   With one week remaining before the official close of tobacco sales, cumulative figures show notable improvement compared to the same period in 2024. By the end of the week, both sales volume and revenue had surpassed last year's levels. Total volume sold reached 208.09 million kg, a 56.2% increase from 133.21 million kg recorded in the previous season. Correspondingly, revenue rose by 31.7% to US$522.21 million, up from US$396.50 million last year. However, the average price per kilogram declined by 18.7%, falling to US$2.51 compared to US$2.98 in the same period of 2024. (*Source: AHL Tobacco Sales*)

5. **Regional Developments in the Week**
   South Africa's economy expanded by 0.8% in the second quarter of 2025, rebounding from a meagre 0.1% in the first. Growth was driven by mining (up 3.7%, led by platinum, gold and chromium), manufacturing (up 1.8%, boosted by chemicals and vehicles), and trade. Agriculture also added, while construction and transport contracted. Household and government spending lifted demand, with overall GDP up 0.7% on the expenditure side. (*Source: CNBC Africa*)

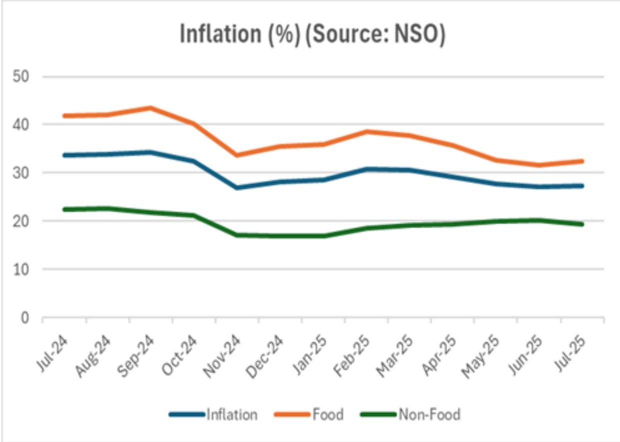
6. **Global Developments in the Week**
   US inflation accelerated to 2.9% in August, up from 2.7% in July and marking the highest level since January 2025. On a monthly basis, consumer prices rose 0.4%, ahead of the 0.3% forecast. The increase was driven by higher costs for petrol, food, airfare, and used cars, with notable surges in meat and fresh produce. Energy prices also rose for the first time in seven months. Meanwhile, core inflation remained unchanged at 3.1%, highlighting the persistence of underlying price pressures. (*Source: Reuters*)

Counter	Div yield %	P/E	P/BV	05-Sep-25 MK/Share		12-Sep-25 MK/Share
AIRTEL	1.45	35.52	47.25	138.82	↓	137.96
BHL	-	(64.40)	1.36	15.00	↑	15.01
FDH Bank	0.79	55.91	42.51	619.90	↓	599.99
ICON	1.62	4.91	0.82	17.95		17.95
ILLOVO	0.28	56.47	8.59	1,791.42	↑	1,791.46
MPICO	2.20	5.26	0.69	19.51	↑	19.54
NBM	1.34	43.03	16.39	8,196.77	↑	9,426.44
NBS Bank	1.06	40.86	26.61	1,024.85	↓	1,024.74
NICO	1.15	25.20	11.66	1,740.00		1,740.00
NITL	0.58	8.72	3.52	1,454.01	↑	1,922.00
PCL	0.17	12.27	2.27	6,600.00		6,600.00
Standard Bank	2.49	88.19	29.32	6,497.29	↓	6,491.10
Sunbird	2.83	11.33	1.72	460.02		460.02
TNM	-	39.98	7.76	35.89	↓	34.85
FMBCH	0.21	36.55	13.14	1,650.41	↑	1,758.44
OMU	3.31	16.33	2.17	2,500.06		2,500.06
DSI	N/A	N/A	N/A	413,682.67	↑	421,439.55
FSI	N/A	N/A	N/A	81,906.87	↑	87,212.79
MASI	1.27	40.43	13.35	536,567.19	↑	550,094.60

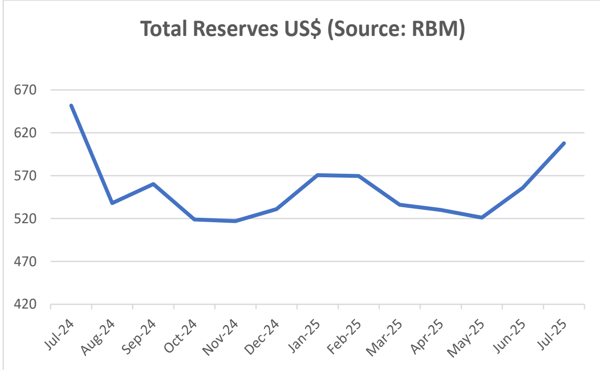
Stock Market (Source: Malawi Stock Exchange)

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

Inflation (Source: NSO)



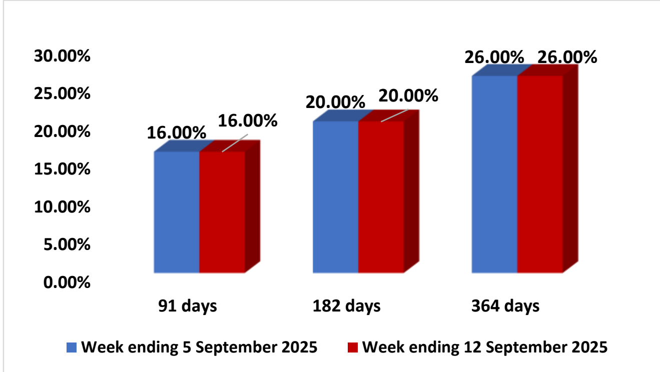
Foreign Exchange Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	5-Sep-25	12-Sep-25		% Change
MK/US Dollar	1,734.01	1,734.01	⇨	0.00%
MK/GBP	2,404.89	2,420.07	⬇	-0.63%
MK/ZAR	100.84	102.77	⬇	-1.91%
MK/EUR	2,084.48	2,094.66	⬇	-0.49%

Government Securities for week ending 12 September 2025 (Source: RBM)



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91-days	0.05	16.00
182-days	18.34	20.00
364-days	16.46	26.00
2-Year	5.58	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%	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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