



NICO Asset Managers
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WEEKLY MARKET UPDATE

Week ending 19 September 2025

1. Money Market

Government Securities

The Government Treasury Bills auction held during the week raised a total of K74.21 billion from total applications of K96.54 billion, resulting in a 30.1% 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 various Treasury Notes during the week in review raised K76.41 billion from total applications of K76.41 billion, resulting in a nil rejection rate. Total maturities for the week stood at K116.71 billion, resulting in a net liquidity outflow of K33.91 billion. (Source: RBM).

2. Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K192.74 billion from an average of K191.26 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K92.75 billion at 23.98% (Previous week: K51.20 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 573,791.65 points (previous week: 550,094.60 points), while the Domestic Share Index (DSI) closed at 437,040.56 points (previous week: 421,439.55 points), and the Foreign Share Index (FSI) ended at 94,066.81 points (previous week: 87,212.79 points). The upward movement in the MASI was driven by share price gains on AIRTEL, BHL, FDH Bank, Illovo, MPICO, NBM, NITL, Sunbird and FMBCH. The gains were enough to offset the marginal losses on ICON, NBS Bank, NICO, Standard Bank and TNM. A total of 7.64 million shares were traded during the week, generating a market turnover of K5.65 billion across 991 trades. (Source: MSE)

4. Local Market Developments

The Reserve Bank of Malawi has trimmed its 2025 manufacturing growth forecast to 2.4% from 3.9% projected last October. The central bank states that the downgrade reflects persistent foreign exchange shortages hampering crucial raw material imports and an unreliable power supply that inflates costs and disrupts production. Analysts warn these shocks could stifle the sector's fragile recovery, highlighting Malawi's pressing need for stable forex markets and dependable energy. (Source: The Nation)

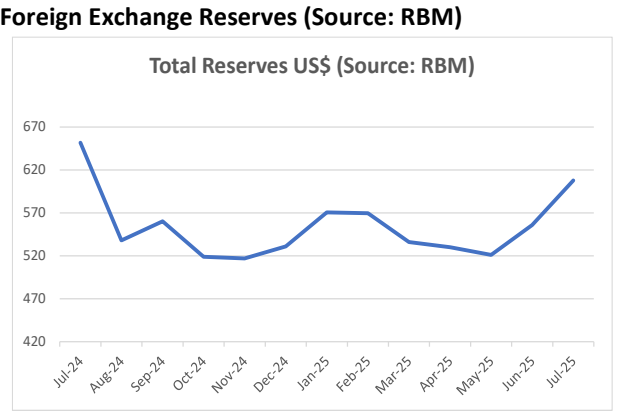
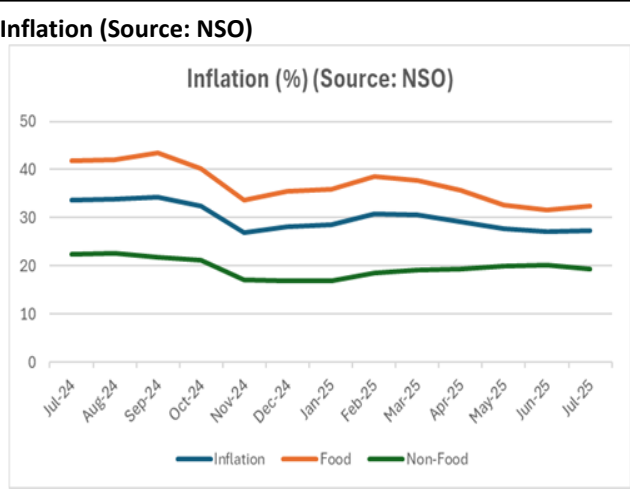
5. Regional Developments in the Week

South Africa's central bank has held its key interest rate steady at 7.0%, defying expectations for a possible 25 basis-point cut. The decision was close: four Monetary Policy Committee (MPC) members voted to hold, while two pushed for a 25 basis-point reduction. Their caution came as inflation slowed more than expected, easing to 3.3% in August from 3.5% in July, close to the lower edge of the 3.0-6.0% target band. (Source: CNBC Africa)

6. Global Developments in the Week

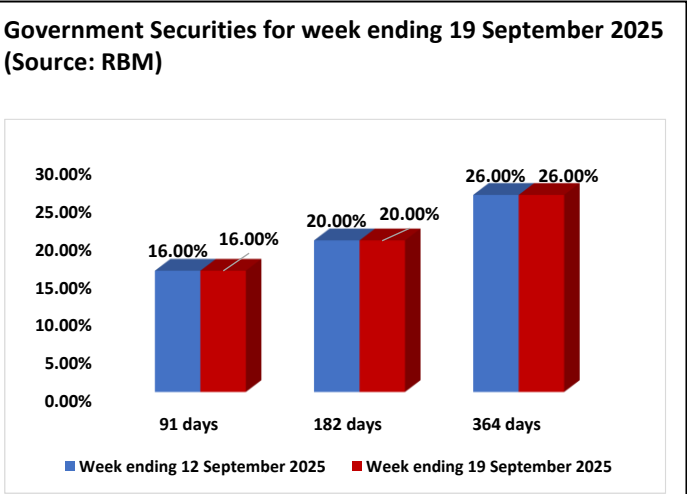
The US Federal Reserve has cut its benchmark interest rate by 25 basis points to a range of 4.00%-4.25% from 4.25%-4.50%, the first cut since December 2024. The Federal Open Market Committee approved the move by an 11-1 majority. The decision was driven by slowed job growth and a slight rise in unemployment, despite inflation staying elevated. Chair Powell stated two more quarter-point cuts could come this year. (Source: Reuters)

	Div yield %	P/E	P/BV	12-Sep-25	19-Sep-25
Counter				MK/Share	MK/Share
AIRTEL	1.45	35.53	47.26	137.96	↑ 137.98
BHL	-	(64.44)	1.36	15.01	↑ 15.02
FDH Bank	0.74	59.44	45.20	599.99	↑ 637.93
ICON	1.62	4.91	0.82	17.95	↓ 17.94
ILLOVO	0.28	56.47	8.59	1,791.46	↑ 1,791.47
MPICO	2.20	5.26	0.69	19.54	↑ 19.55
NBM	1.17	49.30	18.78	9,426.44	↑ 10,800.01
NBS Bank	1.06	40.86	26.61	1,024.74	↓ 1,024.71
NICO	1.15	25.20	11.66	1,740.00	↓ 1,739.92
NITL	0.44	11.53	4.65	1,922.00	↑ 2,541.87
PCL	0.17	12.27	2.27	6,600.00	6,600.00
Standard Bank	2.50	88.07	29.28	6,491.10	↓ 6,482.51
Sunbird	2.60	12.31	1.87	460.02	↑ 500.04
TNM	-	35.97	6.98	34.85	↓ 31.35
FMBCH	0.19	39.45	14.18	1,758.44	↑ 1,897.99
OMU	3.31	16.33	2.17	2,500.06	2,500.06
DSI	N/A	N/A	N/A	421,439.55	↑ 437,040.56
FSI	N/A	N/A	N/A	87,212.79	↑ 94,066.81
MASI	1.21	42.17	13.93	550,094.60	↑ 573,791.65
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	12-Sep-25	19-Sep-25	% Change
MK/US Dollar	1,734.01	1,734.01	→ 0.00%
MK/GBP	2,420.07	2,412.39	↑ 0.32%
MK/ZAR	102.77	102.86	↓ -0.09%
MK/EUR	2,094.66	2,102.70	↓ -0.38%



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
182-days	28.59	20.00
364-days	45.62	26.00
2-Year	14.56	28.75
3-Year	28.78	30.00
5-Year	22.99	32.00
7-Year	7.40	34.00
10-Year	2.68	35.00

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