



NICO Asset Managers

“INVEST today for tomorrow”.

WEEKLY MARKET UPDATE

Week ending 19 December 2025

1. Money Market

Government Securities

The Government Treasury Bills auction held during the week raised a total of K10.11 billion from total applications of K10.11 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 various Treasury Notes during the week in review raised K61.35 billion from total applications of K61.35 billion, resulting in a nil rejection rate. Total maturities for the week stood at K56.04 billion, resulting in a net liquidity outflow of K15.42 billion. (Source: RBM).

Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K24.52 billion from an average of K5.52 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K153.60 billion at 23.98% (Previous week: K157.90 billion at 23.98%). No funds were accessed through the Lombard window this week (Source: RBM)

2. Stock Market

The MASI closed the week at 607,938.06 points (Previous Week: 613,095.22 points), while the Domestic Share Index (DSI) closed at 407,878.66 points (previous week: 411,938.96 points), and the Foreign Share Index (FSI) ended at 166,501.02 points (Previous Week: 167,186.36 points). The decrease in the MASI was due to share price losses on Airtel, FDH Bank, NBS Bank, MPICO, NICO, NITL, Standard Bank, PCL and FMBCH. The losses were enough to offset gains on ILLOVO, NBM and BHL. A total of 5.40 million shares were traded during the week, generating a market turnover of K7.49 billion across 510 trades. (Source: MSE)

3. Local Market Developments

Malawi's inflation eased to 27.9% in November 2025 from 29.1% in October. Food inflation declined to 30.1% from 32.4%, while non-food inflation edged up to 24.2% from 23.8%, pointing to persistent underlying cost pressures. On a month-to-month basis, national inflation stood at 2.3%, with food and non-food prices rising by 2.4% and 2.1%, respectively. Urban monthly inflation was lower at 1.2%, compared with 2.8% in rural areas, where food and non-food inflation remained elevated at 3.0% and 2.4%, respectively. (Source: NSO).

4. Regional Developments in the Week

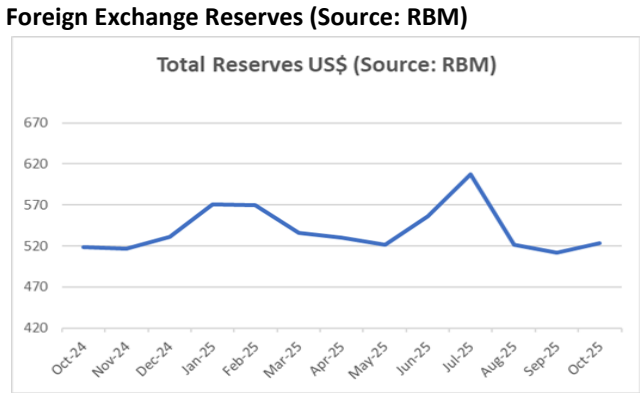
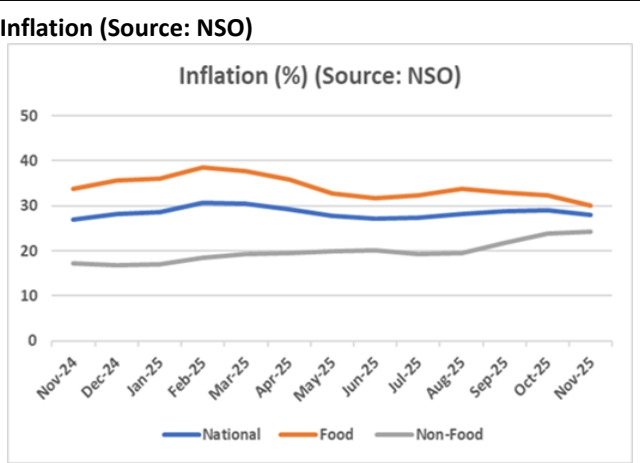
Nigeria's headline inflation dropped to 14.45% year on year in November from 16.05% in October largely driven by moderation in food price pressures. On month-on-month basis, it accelerated slightly to 1.22% up from 0.93% in October. Core inflation stood at 18.04% year-on-year significantly lower than the 28.75% in November 2024. The Central Bank of Nigeria has reiterated its preference for a sustained decline in inflation and in line with the improving inflation outlook, maintained its policy rate at its most recent meeting. (Source: Nigeria National Bureau of Statistics)

5. Global Developments in the Week

The Bank of England reduced its key interest rate by 25 basis points to 3.75% from 4.00%, following a narrow 5-4 vote, marking its fourth rate cut in 2025. The Committee noted that the decision reflects moderating inflation, which eased to 3.2% in November, alongside weak economic growth and a softening labour market. While inflation is expected to return to target more quickly, policymakers emphasized that the pace of further easing will depend on developments in inflation and wage pressures. (Source: Bank of England)

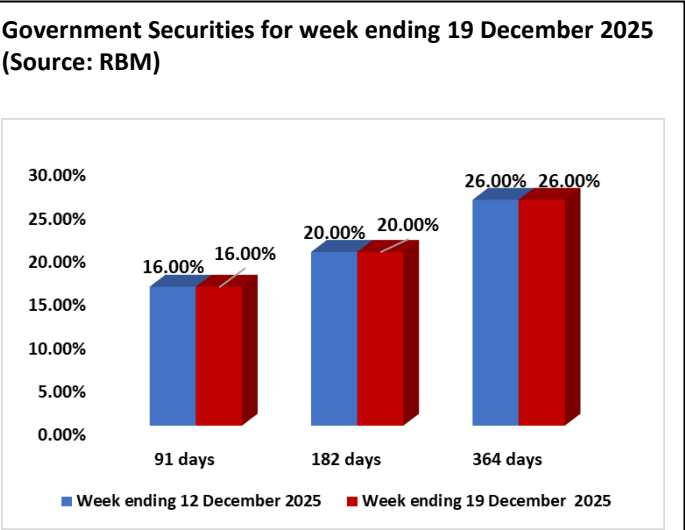
	Div yield %	P/E	P/BV	12-Dec-25	19-Dec-25
Counter				MK/Share	MK/Share
AIRTEL	1.63	31.67	42.13	124.30	↓ 123.00
BHL	-	(64.57)	1.36	15.04	↑ 15.05
FDHB	0.78	56.65	43.07	632.35	↓ 607.96
ICON	1.62	4.90	0.82	17.90	17.90
ILLOVO	0.79	21.53	7.72	2,330.05	↑ 2,330.10
MPICO	2.21	5.25	0.69	19.51	↓ 19.50
NBM	1.04	55.66	21.20	12,290.00	↑ 12,191.75
NBS	1.19	36.44	23.73	919.96	↓ 913.99
NICO	1.15	25.20	11.66	1,740.00	↓ 1,739.88
NITL	0.28	17.87	7.21	3,939.54	↓ 3,939.51
PCL	0.13	16.23	3.00	8,727.95	↓ 8,727.45
STANDARD	3.81	57.72	19.19	4,248.81	↓ 4,248.50
SUNBIRD	1.73	18.47	2.81	750.01	750.01
TNM	-	36.10	7.00	31.47	31.47
FMBCH	0.11	69.93	25.13	3,377.97	↓ 3,364.00
OMU	2.18	28.35	3.78	3,790.02	3,790.02
DSI	N/A	N/A	N/A	411,938.96	↓ 407,878.66
FSI	N/A	N/A	N/A	167,186.36	↓ 166,501.02
MASI	1.18	41.60	14.52	613,095.22	↓ 607,938.06

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-Dec-25	19-Dec-25	% Change
MK/US Dollar	1,734.01	1,734.01	0.00%
MK/GBP	2,391.85	2,389.00	0.12%
MK/ZAR	106.02	106.64	-0.58%
MK/EUR	2,096.27	2,093.05	0.15%



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91-day	0.01	16.00
182-day	0.02	20.00
364-day	10.09	26.00
2-year	4.64	28.75
3-year	36.35	30.00
5-year	11.07	32.00
7-year	27.51	34.00
10-year	17.95	35.00

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