



### 1. Money Market

#### Government Securities

The Government Treasury Bills auction held during the week raised a total of K53.51 billion from total applications of K58.53 billion, resulting in a 9.4% 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%). No Treasury Note auction was conducted during the week. Total maturities for the week stood at K89.19 billion, resulting in a net liquidity inflow of K30.66 billion. (Source: RBM).

#### Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K93.84 billion from an average of K24.52 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K122.00 billion at 23.98% (Previous week: K153.60 billion at 23.98%). A total of billion was K287.36 accessed on the Lombard window at an average rate of 26.2% (Previous week: No fund was accessed through Lombard window). (Source: RBM)

### 2. Stock Market

The MASI closed the week at 597,004.30 points (Previous Week: 607,938.06 points), while the Domestic Share Index (DSI) closed at 404,712.84 points (previous week: 407,878.66 points), and the Foreign Share Index (FSI) ended at 158,455.48 points (Previous Week: 166,501.02 points). The decrease in the MASI was due to share price losses on Airtel, FDH Bank, BHL, NBS Bank, ICON, NBM, NICO, NITL, Standard Bank and FMBCH. The losses were enough to offset gains on OMU and Sunbird. A total of 2.07 million shares were traded during the week, generating a market turnover of K1.16 billion across 511 trades. (Source: MSE)

### 3. Local Market Developments

The Health Committee of Malawi’s Parliament has cautioned the government on a proposed five-year US health financing deal worth \$740 million (~K1.3 trillion), set for signing by 31 December 2025. The Health Committee stressed safeguards on data ownership, intellectual property, co-authorship, technology transfer and ring-fenced lab funding. The agreement spans health systems, surveillance, outbreak response, lab and pharmacy management, and electronic medical records, with potential pathogen data access for 25 years. Lawmakers urged creation of a local oversight board to audit access, certify privacy compliance, and regulate secondary data use, highlighting sovereignty and governance risks that could shape future health financing and research collaboration. (Source: *The Nation*)

### 4. Regional Developments in the Week

Nigeria projects a 2026 fiscal deficit of 4.28% of GDP (₦23.85 trillion) under a proposed ₦58.18 trillion (US\$40 billion) budget designed to consolidate reforms and support growth. The plan allocates ₦15.52 trillion to debt service and ₦26.08 trillion to capital expenditure, premised on oil at \$64.85/barrel, output of 1.84 million barrel per day and an exchange rate of ₦1,400/\$1. Inflation eased to 14.45% in November from 24.23% in March, while reserves climbed to a seven-year high of \$47 billion, which President Bola Tinubu attributed to deliberate policy choices. (Source: *Reuters*)

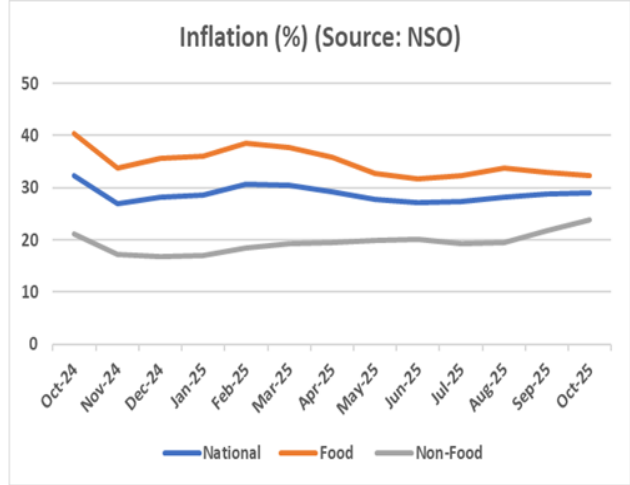
### 5. Global Developments in the Week

The Bank of Japan raised its policy rate by 25 basis points to 0.75% from 0.50%, the highest level in three decades. The unanimous decision reflects the Bank’s view that wages and inflation are rising moderately in tandem, keeping Japan on track to sustainably achieve its 2% inflation target. The Bank signalled further hikes if its economic and price forecasts materialize, noting that real interest rates remain markedly low. (Source: *Reuters*)

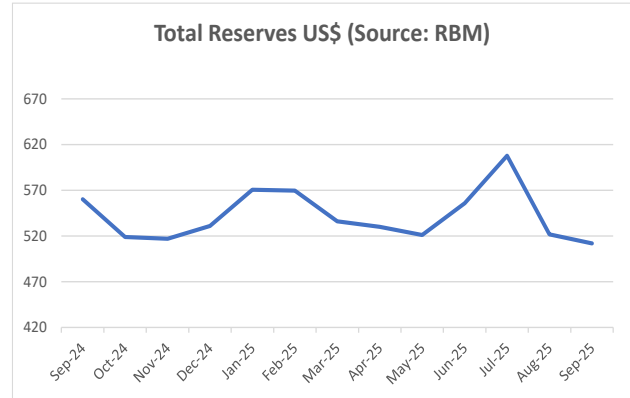
	Div yield %	P/E	P/BV	19-Dec-25	26-Dec-25
Counter				MK/Share	MK/Share
AIRTEL	1.66	31.10	41.38	123.00	↓ 120.80
BHL	-	(64.53)	1.36	15.05	↓ 15.04
FDHB	0.79	55.50	42.20	607.96	↓ 595.61
ICON	1.81	4.38	0.73	17.90	↓ 16.00
ILLOVO	0.79	21.53	7.72	2,330.10	↑ 2,330.11
MPICO	2.20	5.25	0.69	19.50	↑ 19.51
NBM	1.05	54.78	20.87	12,191.75	↓ 12,000.00
NBS	1.19	36.38	23.69	913.99	↓ 912.39
NICO	1.15	25.17	11.65	1,739.88	↓ 1,738.00
NITL	0.28	17.87	7.21	3,939.51	↓ 3,939.44
PCL	0.13	16.23	3.00	8,727.45	8,727.45
STANDARD	3.81	57.72	19.19	4,248.50	↓ 4,248.41
SUNBIRD	1.53	20.93	3.18	750.01	↑ 850.00
TNM	-	36.10	7.00	31.47	31.47
FMBCH	0.11	66.52	23.91	3,364.00	↓ 3,200.00
OMU	2.18	28.35	3.78	3,790.02	↑ 3,790.10
DSI	N/A	N/A	N/A	407,878.66	↓ 404,712.84
FSI	N/A	N/A	N/A	166,501.02	↓ 158,455.48
MASI	1.20	40.88	14.07	607,938.06	↓ 597,004.30

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

**Inflation (Source: NSO)**



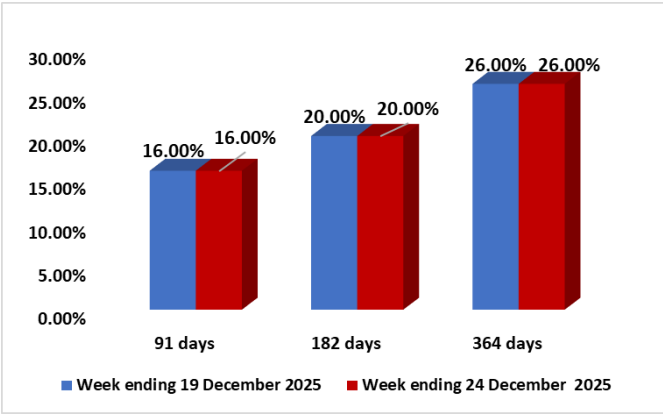
**Foreign Exchange Reserves (Source: RBM)**



**Exchange Rates - Middle Rates (Source: RBM)**

CURRENCY	19-Dec-25	24-Dec-25	% Change
MK/US Dollar	1,734.01	1,734.01	→ 0.00%
MK/GBP	2,389.00	2,413.82	↓ -1.04%
MK/ZAR	106.64	107.24	↓ -0.56%
MK/EUR	2,093.05	2,106.62	↓ -0.65%

**Government Securities for week ending 26 December 2025 (Source: RBM)**



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91-day	0.01	16.00
182-day	32.28	20.00
364-day	21.22	26.00

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%
<b>Average Real GDP</b>	<b>0.92%</b>	<b>1.50%</b>	<b>1.65%</b>	<b>2.20%</b>

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