



1. Money Market

Government Securities

The Government Treasury Bills auction held during the week raised a total of K41.88 billion from total applications of K61.73 billion, resulting in a 32.2% 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 5-year Treasury Note during the week in review raised K0.00 billion from total applications of K21.61 billion, resulting in a 100.00% rejection rate. The Open Market Operations (OMO) Repo auction held during the week raised a total of K80.00 billion from total applications of K80.00 billion, resulting in a nil rejection rate. The average yield for the 7 days tenor was 22.00% (Previous week: no Auction was held). Total maturities for the week stood at K89.19 billion, resulting in a net liquidity inflow of K30.66 billion. (Source: RBM)

2. Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K61.95 billion from an average of K93.84 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K83.60 billion at 23.98% (Previous week: K122.00 billion at 23.98%). A total of billion was K235.32 accessed on the Lombard window at an average rate of 26.2% (Previous week: K287.36 billion at an average rate of 26.2%). (Source: RBM)

3. Stock Market

The MASI closed the week at 598,046.99 points (Previous Week: 597,004.30 points), while the Domestic Share Index (DSI) closed at 405,769.68 points (previous week: 404,712.84 points), and the Foreign Share Index (FSI) ended at 158,308.28 points (Previous Week: 158,455.48 points). The increase in the MASI was due to share price gains on BHL, FDH Bank, ILLOVO, NBS Bank, PCL, Sunbird and Standard Bank. The gains were enough to offset losses on Airtel, NBM, NICO, NITL, OMU and FMBH. A total of 2.48 million shares were traded during the week, generating a market turnover of K4.52 billion across 805 trades. (Source: MSE)

4. Local Market Developments

President Professor Arthur Peter Mutharika has signed into law the Taxation and VAT Amendment Bills, bringing them into full effect. The new measures increase VAT from 16.5% to 17.5%, restructure income tax bands, introduce levies on financial transfers, expand the scope of capital gains tax, reinstate a 20% surcharge on cement imports, and establish a minimum alternative tax for large corporations. In addition, the President assented to two loan authorisation bills, enabling external financing of €38 million for the M1 Road Rehabilitation Project and US\$27 million for the Jenda Water Supply Project. (Source: Malawi Parliament, MRA)

5. Regional Developments in the Week

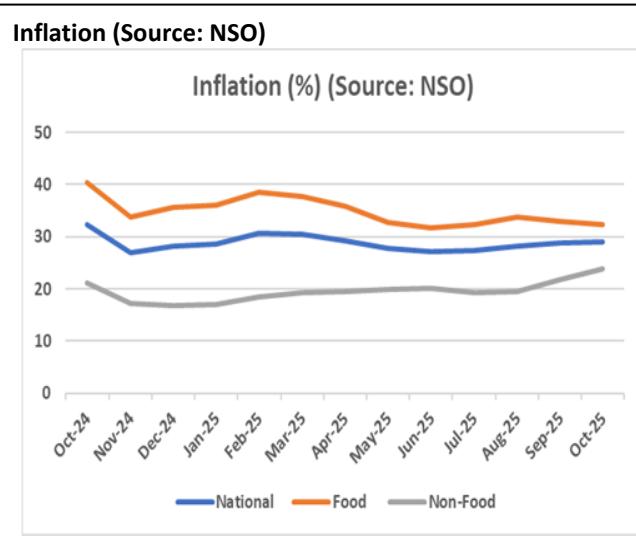
Nigeria approved the write-off of \$1.42 billion and 5.57 trillion Naira (\$3.85 billion) in debts owed by state oil firm Nigerian National Petroleum Corporation to the federal government, aiming to clean up public sector accounts and improve fiscal transparency. The move clears legacy oil-sector obligations accumulated through end-2024, including production-sharing and joint venture liabilities, following a reconciliation process by fiscal authorities. Analysts say the balance-sheet reset could improve revenue reporting, support planned asset sales and reduce uncertainty around Nigeria's oil income, while outstanding obligations from 2025 remain under review. (Source: Reuters)

6. Global Developments in the Week

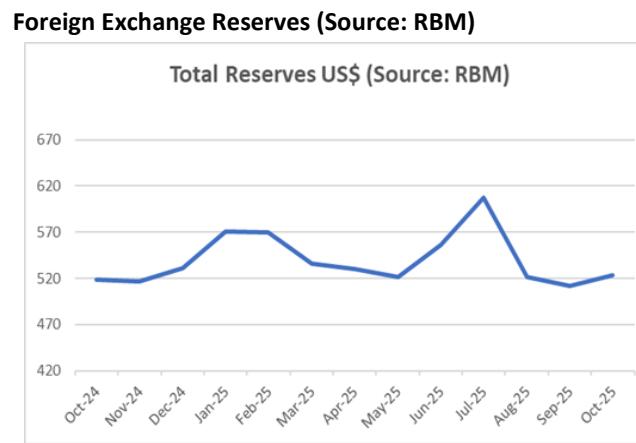
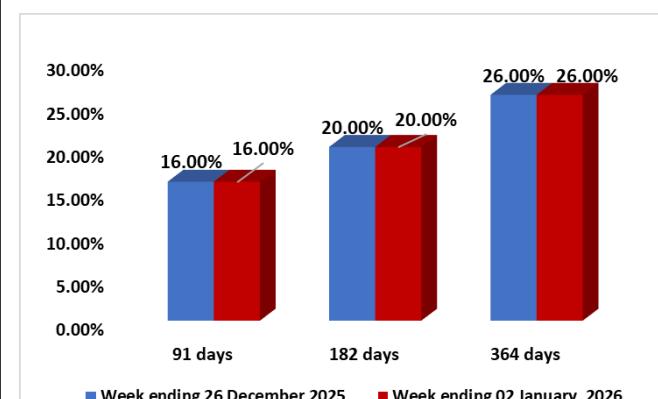
China's legislature approved amendments to the Foreign Trade Law effective 1 March 2026. The revisions expand Beijing's framework for countering foreign trade restrictions and strengthen authority over sensitive exports. Key measures include adoption of “negative list” management to widen market access, new provisions on digital and green trade and enhanced intellectual property protection. The law also promotes trade facilitation through cross-border financial services and closer alignment with international rules, supporting broader integration into global trade frameworks. Analysts say the amendments could influence global supply chains, trade financing flows and market access conditions for emerging-market exporters engaging with China. (Source: Reuters)

	Div yield %	P/E	P/BV	26-Dec-25	02-Jan-25
Counter				MK/Share	MK/Share
AIRTEL	1.66	31.09	41.35	120.80	↓ 120.74
BHL	-	(64.57)	1.36	15.04	↑ 15.05
FDHB	0.79	55.90	42.50	595.61	↑ 599.92
ICON	1.81	4.38	0.73	16.00	16.00
ILLOVO	0.79	21.53	7.72	2,330.11	↑ 2,330.12
MPICO	2.20	5.25	0.69	19.51	19.51
NBM	1.05	54.76	20.86	12,000.00	↓ 11,995.00
NBS	1.19	36.44	23.73	912.39	↑ 913.78
NICO	1.15	25.17	11.65	1,738.00	↓ 1,737.88
NITL	0.28	17.87	7.21	3,939.44	↓ 3,938.95
PCL	0.13	16.23	3.00	8,727.45	↑ 8,728.11
STANDARD	3.81	57.72	19.19	4,248.41	↑ 4,248.45
SUNBIRD	1.33	24.07	3.66	850.00	↑ 977.50
TNM	-	36.10	7.00	31.47	31.47
FMBCH	0.11	66.46	23.88	3,200.00	↓ 3,197.00
OMU	2.18	28.35	3.78	3,790.10	↓ 3,790.04
DSI	N/A	N/A	N/A	404,712.84	↑ 405,769.68
FSI	N/A	N/A	N/A	158,455.48	↓ 158,308.28
MASI	1.20	40.95	14.10	597,004.30	↑ 598,046.99

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



Government Securities for week ending 2 January 2026
(Source: RBM)



TENORS	VOLUME (K' BILLION)	AVERAGE YIELD (%)
91-day	0.05	16.00
182-day	41.83	20.00

	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%

CURRENCY	26-Dec-25	2-Jan-26	% Change
MK/US Dollar	1,734.01	1,734.01	0.00%
MK/GBP	2,413.82	2,405.07	-0.36%
MK/ZAR	107.24	108.02	-0.73%
MK/EUR	2,106.62	2,097.52	0.43%

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