



NICO Asset Managers

“INVEST today for tomorrow”.

WEEKLY MARKET UPDATE

Week ending 6 February 2026

1. Money Market

Government Securities

The Government Treasury Bills auction conducted during the week recorded no successful uptake, with authorities raising K0.00 billion against total bids amounting to K145.58 billion, translating into a 100.00% rejection rate. Average yields across the 91-day, 182-day, and 364-day tenors remained unchanged from the previous week at 15.00%, 20.00%, and 26.00%, respectively. No Treasury Note auction was held during the week under review. Meanwhile, total maturities amounted to K48.72 billion, resulting in a net liquidity injection of K48.72 billion into the market. (Source: RBM)

Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K500.34 billion from an average of K576.35 billion in the previous week. The volume on daily interbank overnight borrowing increased to an average of K82.60 billion at 23.41% weighted average (Previous week: K26.84 billion at 23.98%). No funds were accessed on the Lombard window this week (Previous week: No funds were accessed too). (Source: RBM)

2. Stock Market

The MASI closed the week at 586, 165.52 points (Previous Week: 588,918.94 points), while the Domestic Share Index (DSI) closed at 405, 934.39 points (previous week: 406,964.07 points) and the Foreign Share Index (FSI) ended at 145,234.04 points (Previous Week: 146,972.95 points). The decrease in the MASI was due to share price loss on AIRTEL, MPICO, STANDARD BANK, NBM, NICO, NITL, FDHB, NBS, PCL and FMBCH. The losses were enough to offset gains on BHL, TNM, OMU and ILLOVO. A total of 9.14 million shares were traded during the week, generating a market turnover of K4.13 billion across 1024 trades. (Source: MSE)

3. Local Market Developments

Banks in Malawi have marginally reduced the reference rate to 24.7%, effective 4 February 2026, from 25.2%. This adjustment comes against a backdrop of easing short-term government borrowing costs, with the 91-day Treasury bill yield declining modestly to 15.0% in January 2026 from 16.0% previously. Liquidity conditions in the banking sector have improved markedly. Average excess reserves surged to MK500.54 billion in the week ending 6 February 2026, representing a 213.9% increase from MK159.39 billion recorded in the week ending 9 January 2026. Reflecting this enhanced liquidity, the overnight interbank lending rate declined to 23.0%, down from 23.98% over the same period in January. (Source: RBM, BAM)

4. Regional Developments in the Week

Ghana's headline inflation eased to 3.8% year-on-year in January from 5.4% in December, marking the lowest rate since the Consumer Price Index was rebased in 2021. The decline was driven primarily by a sharp moderation in food inflation, which fell to 3.9% from 4.9% in December 2025, reinforcing signals of improving price stability following the peak of 54.1% recorded in December 2022. Inflation has now fallen below the Bank of Ghana's 8% target (± 2 percentage points). While the disinflation trend strengthens the case for further accommodation, the central bank has cautioned that it is premature to reassess the inflation target as Ghana continues to stabilise under its IMF-supported programme. (Source: Reuters)

5. Global Developments in the Week

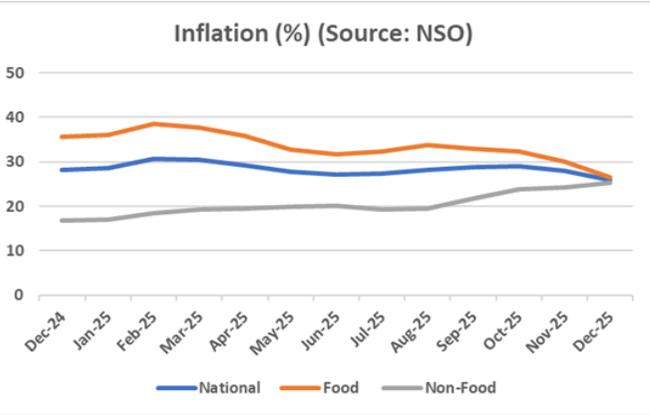
The European Central Bank (ECB) kept its policy rates unchanged at its February meeting, maintaining the deposit facility rate at 2.00%, as inflation continues to stabilize around the 2.0% medium-term target and euro area growth remains resilient. The Governing Council noted persistent uncertainties related to global trade policy, geopolitics and recent exchange-rate volatility but assessed that these risks are broadly balanced and incorporated into the baseline outlook. Market expectations remain anchored on steady rates through 2026, reflecting the ECB's view that the current policy stance is consistent with maintaining price stability. (Source: Reuters)

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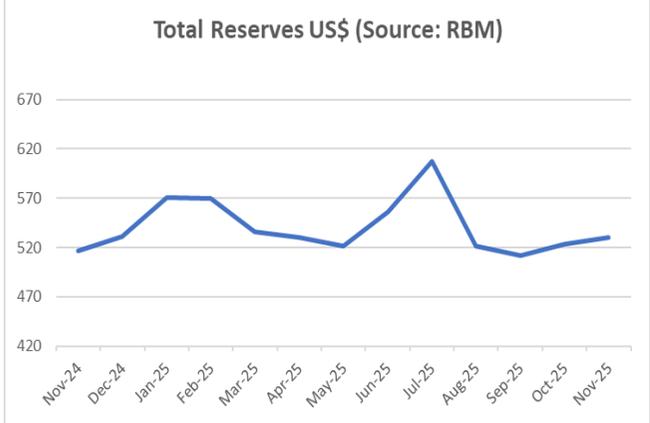
	Div yield %	P/E	P/BV	23-Jan-26	30-Jan-26
Counter				MK/Share	MK/Share
AIRTEL	1.74	29.61	39.39	117.95	↓ 114.99
BHL	-	(64.36)	1.36	14.98	↑ 15.00
FDHB	0.79	55.54	42.23	597.44	↓ 596.06
ICON	1.82	4.37	0.73	15.97	↓ 15.97
ILLOVO	0.69	24.76	8.88	2,680.00	↑ 2,680.08
MPICO	2.21	5.23	0.69	19.46	↓ 19.44
NBM	1.08	53.50	20.38	11,743.66	↓ 11,719.80
NBS	1.22	35.55	23.15	892.49	↓ 891.52
NICO	1.17	24.85	11.50	1,720.27	↓ 1,715.92
NITL	0.28	17.85	7.20	3,934.50	↓ 3,934.44
PCL	0.14	14.56	2.69	7,828.00	↓ 7,827.99
STANDARD	3.82	57.60	19.15	4,247.00	↓ 4,239.46
SUNBIRD	0.76	41.86	6.36	1,700.02	1,700.02
TNM	-	35.85	6.95	30.66	↑ 31.25
FMBCH	0.12	60.90	21.88	2,965.07	↓ 2,929.43
OMU	2.18	44.73	5.96	3,790.04	↑ 3,790.05
DSI	N/A	N/A	N/A	406,964.07	↓ 405,934.39
FSI	N/A	N/A	N/A	146,972.95	↓ 145,234.04
MASI	1.21	40.37	13.90	588,918.94	↓ 586,165.52

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

Inflation (Source: NSO)



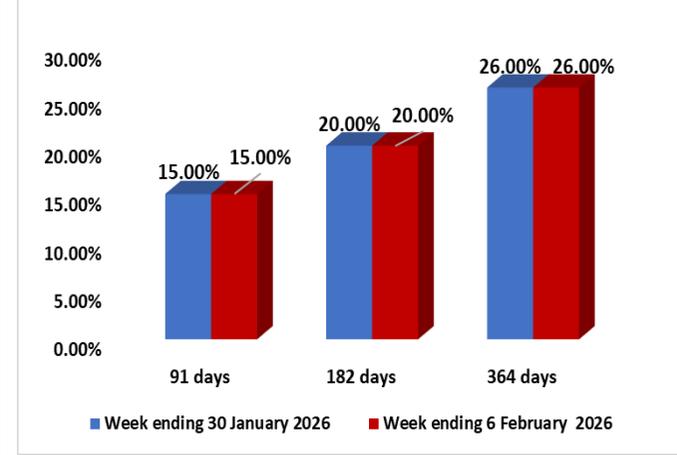
Foreign Exchange Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	30-Jan-26	6-Feb-26	% Change
MK/US Dollar	1,734.01	1,734.01	0.00%
MK/GBP	2,457.58	2,424.18	↑ 1.36%
MK/ZAR	112.16	110.33	↑ 1.63%
MK/EUR	2,130.74	2,107.34	↑ 1.10%

Government Securities for week ending 6 February 2026 (Source: RBM)



Real GDP Growth Projections

	2023	2024	2025	2026
EIU	1.60%	1.30%	1.60%	2.00%
IMF	1.50%	1.80%	2.40%	2.70%
WORLD BANK	1.40%	1.80%	1.90%	2.60%
GOVERNMENT	1.50%	1.70%	2.70%	3.80%
Average Real GDP	1.50%	1.65%	2.15%	2.78%

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