



NICO Asset Managers

“INVEST today for tomorrow”.

WEEKLY MARKET UPDATE

Week ending 20 February 2026

1. Money Market

Government Securities

The Government Treasury Bills auction held during the week raised a total of K113.48 billion from total applications of K245.27 billion, resulting in a 46.27% rejection rate. The average yield for the 91-day tenor was 12.00%, the same as the previous week, the 182-day tenor was 16% (Previous week: 20.00%), while the 364-day tenor remained unchanged at 18.00% (Previous week: 26.00%). There was no auction on Treasury Notes during the week in review. Total maturities for the week stood at K126.79 billion, resulting in a net liquidity inflow of K13.31 billion. (Source: RBM)

Interbank Market

Liquidity levels (excess reserves after Central Bank Operations) increased to a daily average of K692.67 billion from an average of K681.04 billion in the previous week. The volume on daily interbank overnight borrowing decreased to an average of K21.00 billion at 22.00% average (Previous week: K41.40 billion at 22.90%). No funds were accessed through the Lombard window this week (Previous week: No funds were accessed). (Source: RBM)

2. Stock Market

The MASI closed the week at 573,773.12 points (Previous Week: 577,574.44 points), while the Domestic Share Index (DSI) closed at 401,743.59 points (previous week: 403,556.82 points) and the Foreign Share Index (FSI) ended at 136,873.40 points (Previous Week: 138,802.24 points). The decrease in the MASI was due to share price losses on AIRTEL, STANDARD BANK, NBM, TNM, NICO, NITL, FDHB, NBS, ICON, PCL and FMBCH. The losses were enough to offset gains on MPICO, OMU and ILLOVO. A total of 5.36 million shares were traded during the week, generating a market turnover of K1.11 billion across 849 trades. (Source: MSE)

3. Local Market Developments

Malawi and Tanzania have signed a Simplified Trade Regime (STR) permitting small-scale cross-border traders to import and export goods valued at up to US\$2,000 (approximately MK3.5 million) duty-free. The agreement aims to reduce administrative barriers, simplify customs procedures, and formalise informal trade between the two countries. The development follows a reported trade imbalance in 2024, with Malawi exporting goods worth US\$57.06 million to Tanzania against imports of US\$340.64 million, resulting in a trade deficit of US\$283.5 million. Ministers of Trade from Malawi and Tanzania noted that the agreement is intended to ease procedural complexity, reduce the cost of doing business for small traders and improve predictability in cross-border trade. (Source: UN Comtrade)

4. Regional Developments in the Week

South Africa's headline consumer inflation eased marginally to 3.5% year-on-year in January from 3.6% in December, slightly above market expectations of 3.4%, while remaining within the central bank's target range of 3% ±1 percentage point. According to Statistics South Africa, the main contributors to price pressures were housing and utilities, food and non-alcoholic beverages, and insurance and financial services. Annual core inflation, which excludes food and energy, rose to 3.4%, marking its highest level in eleven months. (Source: Statistics South Africa)

5. Global Developments in the Week

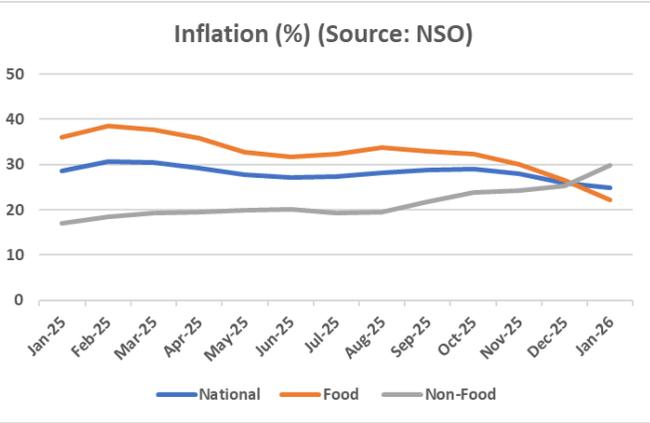
UK inflation cooled in January, easing to 3.0% year-on-year from 3.4% in December. Core CPI declined slightly to 3.1% from 3.2%, its lowest level since 2021, while services inflation edged down to 4.4% from 4.5%. The moderation was largely driven by lower petrol prices, softer airfares following December's increase, and slower food price growth. (Source: Reuters)

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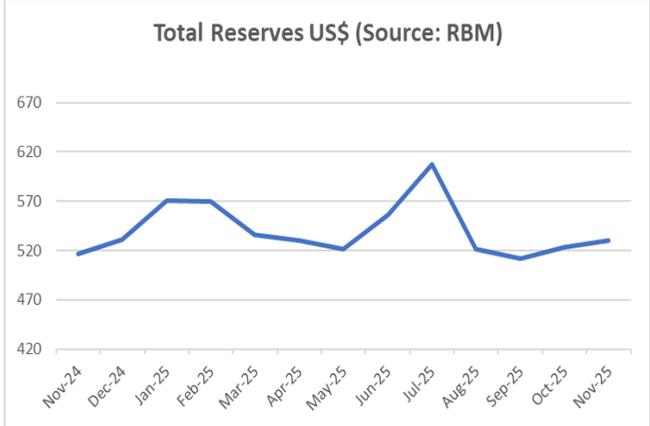
	Div yield %	P/E	P/BV	13-Feb-26	20-Feb-26
Counter				MK/Share	MK/Share
AIRTEL	1.76	29.32	39.01	113.98	↓ 113.88
BHL	-	(64.40)	1.36	15.01	↓ 15.01
FDHB	0.80	55.34	42.08	593.96	↓ 593.90
ICON	1.82	4.36	0.73	15.97	↓ 15.96
ILLOVO	0.69	24.76	8.88	2,680.13	↑ 2,680.17
MPICO	2.21	5.23	0.69	19.44	↑ 19.45
NBM	1.10	52.50	20.00	11,719.27	↓ 11,499.59
NBS	1.27	34.23	22.29	858.93	↓ 858.34
NICO	1.18	24.51	11.34	1,694.57	↓ 1,691.95
NITL	0.28	17.85	7.20	3,934.42	↓ 3,934.33
PCL	0.14	14.55	2.69	7,825.61	↓ 7,823.98
STANDARD	3.82	57.58	19.14	4,238.68	↓ 4,238.56
SUNBIRD	0.76	41.86	6.36	1,700.03	↓ 1,700.03
TNM	-	35.71	6.93	31.23	↓ 31.13
FMBCH	0.13	57.12	20.53	2,794.99	↓ 2,747.98
OMU	1.80	54.29	7.23	4,000.00	↑ 4,600.02
DSI	N/A	N/A	N/A	403,556.82	↓ 401,743.59
FSI	N/A	N/A	N/A	138,802.24	↓ 136,873.40
MASI	1.25	39.34	13.54	577,574.44	↓ 573,773.12

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

Inflation (Source: NSO)



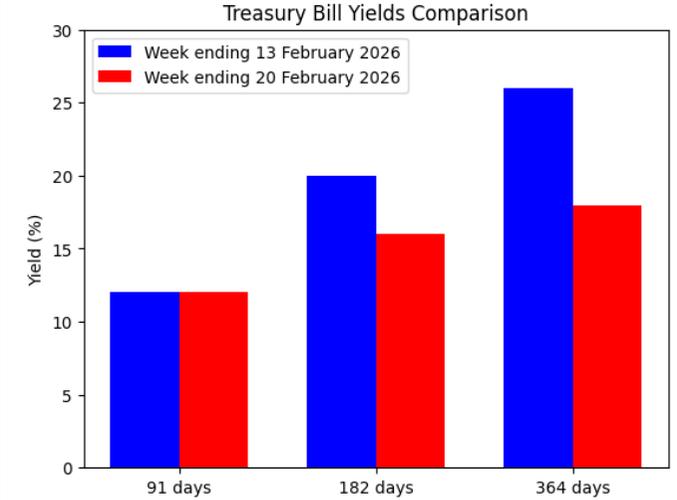
Foreign Exchange Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	13-Feb-26	20-Feb-26	% Change
MK/US Dollar	1,734.01	1,734.01	→ 0.00%
MK/GBP	2,427.04	2,403.64	↑ 0.96%
MK/ZAR	111.27	110.64	↑ 0.57%
MK/EUR	2,115.91	2,099.84	↑ 0.76%

Government Securities for week ending 20 February 2026 (Source: RBM)



TENORS	VOLUME	AVERAGE
	(K' BILLION)	YIELD (%)
91-days	14.64	12.00
182-days	74.94	16.00
364-days	23.89	18.00

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%

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