



## 1. Money Market

### Government Securities

The government Treasury bill auction held during the week raised a total of K1.29 billion from total applications of K1.29 billion resulting in a nil rejection rate. The average yield for the 91 days, 182 days and 364 days were 9.95%, 12.80% and 13.80% respectively (previous week: 91 days: 9.95%, 182 days: 12.80%, 364 days: 13.80%). Total maturities for the week stood at K6.95 billion; resulting in a net injection of K5.66 billion (Source: RBM).

### Interbank Market

Liquidity levels decreased during the week in review to a daily average of K2.92 billion from K15.45 billion recorded in the previous week. The volume on Interbank borrowing decreased to a daily average of K12.22 billion (previous week: K14.68 billion) at an average rate of 11.39% (previous week: 11.25%). Access to the Lombard facility during the week in review averaged K43.04 billion (previous week: K8.82 billion) at an average rate of 12.20% (previous week: 12.20%) (Source: RBM).

## 2. Stock Market

The MASI closed the week at 32,586.56 points (previous week: 33,119.85 points), the Domestic Share Index (DSI) closed at 27,732.50 points (previous week: 28,206.15 points) and the Foreign Stock Index (FSI) closed at 1,613.34 points (previous week: 1,614.45 points). The decrease in MASI was due to share price losses in Airtel, FDH Bank, NICO, TNM and Old Mutual; despite share price gains in NBS Bank. Total volume of 4.11 million shares were traded during the week at a value of K230.19 million in 57 deals (Source: MSE).

## 3. Local Development

- Icon Properties plc has released a trading statement which indicates that the company expects profit after tax for the year ended 31 December 2020 to be at least 20% higher than the corresponding period in 2019 (Source: ICON).
- Illovo Sugar (Malawi) plc has released a trading statement which indicates that profit after tax for the half year ended 28 February 2021 will increase by 200% from the previous period. The company's increase in profit after tax is an upward revision from 60% which reflects a more favourable sales environment and stable profitable markets than previously anticipated (Source: Illovo).

## 4. Regional Developments in the Week

The economy of Namibia is expected to grow by 2.1% in 2021. This is due to the forecasted growth in all major industry sectors, particularly in the mining sector. Furthermore, Namibia's budget deficit is projected to stand at 8.6% of Gross Domestic Product (GDP) down from the 9.7% projected earlier in 2020 (Source: Reuters).

## 5. Global Developments in the Week

The Russian economy is projected to recover to its levels prior to the COVID-19 pandemic by the end of 2021. According to the central bank of Russia, Gross Domestic Product (GDP) is expected to grow between 3.0% to 4.0% in 2021, while the Economic Development Ministry of Russia projects that the GDP will grow by 3.3% in 2021 (Source: Reuters).

Stock Market (Source: Malawi Stock Exchange)					
	Div yield %	P/E	P/BV	12-Mar-21	19-Mar-21
Counter				MK/Share	MK/Share
Airtel	4.47	19.33	19.53	27.97	↓ 27.96
Blantyre Hotels	1.82	19.79	1.42	11.00	11.00
FDH Bank	0.00	14.50	5.02	16.50	↓ 16.49
ICON	1.72	11.23	1.10	12.19	12.19
ILLOVO	2.49	20.96	0.80	80.46	80.46
MPICO	1.20	8.68	1.23	20.90	20.90
NBM	2.76	17.74	3.01	650.05	650.05
NBS Bank	1.52	15.02	4.36	22.80	↕ 23.00
NICO	3.66	6.76	1.70	51.98	↓ 51.94
NITL	0.79	7.20	1.11	94.94	94.94
PCL	2.17	17.69	0.92	1,199.95	1,199.95
Standard Bank	3.73	11.86	2.66	1,200.10	1,200.10
Sunbird	1.11	9.07	1.01	90.00	90.00
TNM	4.55	11.00	3.61	19.38	↓ 16.50
FM BCH	0.00	(18.10)	1.15	27.10	27.10
OMU	2.47	26.35	3.31	2,199.00	↓ 2,190.00
DSI	N/A	N/A	N/A	28,206.15	↓ 27,732.50
FSI	N/A	N/A	N/A	1,614.45	↓ 1,613.34
MASI	N/A	N/A	N/A	33,119.85	↓ 32,586.56

MASI= Malawi All Share Index, DSI= Domestic Share Index, FSI= Foreign Share Index

	2020	2021
MASI Return (YTD)	-4.34%	0.60%

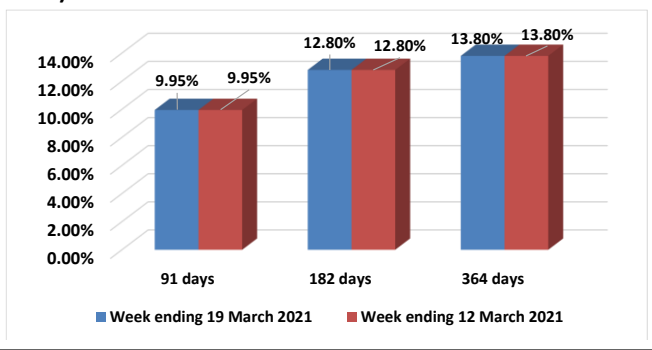
### Annual Year Financial Results for companies listed on the Malawi Stock Exchange (Source: Respective Companies)

Published Financials for 2020 and 2019					
Period	Net Profit/(Loss) (MK' Billion)			Total Dividend (Per Share) (Kwacha)	
	Aug-20	Aug-19	% Change	Aug-20	Aug-19
ILLOVO	2.74	10.08	↓ -72.84%	2.00	0.50
Period Jun-20	Jun-19	% Change	Jun-20	Jun-19	% Change
AIRTEL	11.42	2.02	↑ 465.35%	0.00	0.00
ICON	2.11	2.52	↓ -16.27%	0.11	0.10
NBS BANK	2.84	1.41	↑ 102.42%	0.45	0.00
STANDARD	12.63	8.09	↑ 56.12%	10.65	8.95
NBM	9.07	9.13	↓ -0.61%	5.35	5.35
NITL	0.35	0.67	↓ -48.48%	0.50	0.50
SUNBIRD	(1.34)	1.20	↓ -211.61%	0.00	0.50
TNM	4.97	6.71	↓ -25.93%	0.18	0.00
NICO	7.64	7.29	↑ 4.80%	0.67	0.60
PCL	12.69	11.17	↑ 13.66%	6.00	6.00
MPICO	2.51	3.58	↓ -30.01%	0.00	0.10
FDH	3.22	3.35	↓ -3.88%	0.00	0.00
	Net Profit/(Loss) (US\$' million)			Total Dividend (Per Share) (US\$)	
FM BCH	14.29	5.08	↑ 181.30%	0.00	0.00

**TRADING STATEMENT**

Company	Statement
BHL	Expects its half year ended 30 September 2020 profit after tax to be at least 200% lower than the previous corresponding period
NBS BANK	Expects its annual year ended 31 December 2020 profit after tax to be at least 25% higher than the previous corresponding period
SUNBIRD	Expects its annual year ended 31 December 2020 profit after tax to be at least 150% lower than the previous corresponding period
AIRTEL	Expects its annual year ended 31 December 2020 profit after tax to be at least 40% higher than the previous corresponding period
TNM	Expects its annual year ended 31 December 2020 profit after tax to be at least 25% lower than the previous corresponding period
FM BCH	Expects its annual year ended 31 December 2020 profit after tax to be at least 200% higher than the previous corresponding period
NITL	Expects its annual year ended 31 December 2020 profit after tax to be at least 17% lower than the previous corresponding period
NBM	Expects its annual year ended 31 December 2020 profit after tax to be at least 20% higher than the previous corresponding period
ICON	Expects its annual year ended 31 December 2020 profit after tax to be at least 20% higher than the previous corresponding period
OMU	Expects its annual year ended 31 December 2020 profit after tax to be at least 166% lower than the previous corresponding period
NICO	Expects its annual year ended 31 December 2020 profit after tax to be at least 20% higher than the previous corresponding period

### Prevailing Government Security Interest Rates (Source: RBM)



### Government Securities for Week ending 19 March 2021 (Source: RBM)

TENORS	VOLUME (K' MILLION)	AVERAGE YIELD (%)
91 days TB	1.10	9.95
182 days TB	68.71	12.80
364 days TB	1,225.12	13.80
<b>TOTAL</b>	<b>1,294.93</b>	

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

CURRENCY	12-Mar-21	19-Mar-21	% Change
MK/US Dollar	782.12	782.12	0.00%
MK/GBP	1091.76	1087.92	0.35%
MK/ZAR	52.40	53.04	-1.22%
MK/EUR	934.63	931.97	0.28%

### Global Market Rates (Source: Bloomberg, WSJ, CNBC)

	12-Mar-21	19-Mar-21	Change
US Fed Rate	0.250%	0.250%	0.000%
US Libor (3 months)	0.184%	0.187%	-0.003%
US Libor (6 months)	0.193%	0.204%	-0.011%
US Treasury yield (10 years)	1.612%	1.690%	-0.078%
BOE Rate	0.100%	0.100%	0.000%
ECB Rate	0.000%	0.000%	0.000%

\*LIBOR = London Interbank Offered Rates \*BOE= Bank of England  
\*ECB= European Central Bank

### Malawi Real GDP Projections (Source: EIU, IMF, World Bank, Malawi Government)

	Real GDP Growth Projections			
	2019	2020	2021	2022
EIU	4.10%	-1.00%	2.30%	4.00%
IMF	4.00%	0.60%	2.20%	6.00%
WORLD BANK	4.40%	1.00%	3.30%	5.30%
GOVERNMENT	5.10%	0.90%	3.50%	
<b>Average Real GDP</b>	<b>4.40%</b>	<b>0.38%</b>	<b>2.83%</b>	<b>5.10%</b>

**Contacts:**

**Head Office**  
NICO Asset Managers Limited, 19 Glyn Jones Road  
Chibisa House, P.O. Box 3173, Blantyre  
Tel No: 01 832 085/086  
Email: [invest@nicoassetmanagers.com](mailto:invest@nicoassetmanagers.com) Website: [www.nicoassetmanagers.com](http://www.nicoassetmanagers.com) NICO Asset Managers/Facebook

**Lilongwe Branch**  
NICO Asset Managers Limited, Corner Kenyatta Drive  
NICO Centre, P.O. Box 30729, Lilongwe 3  
Tel No: 01 757 086

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