Malawi Monthly Economic Report and a brief on the International Monetary Fund Regional Economic Outlook for Sub-Saharan Africa

October 2024

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Executive Summary and Outlook

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Inflation

The headline inflation rate increased by 0.4 percentage points to 34.3% in September 2024 from 33.9% in August 2024. The increase was due to a rise in the food inflation rate to 43.5% in September 2024 from 42.0% in August 2024, which offset the decrease in the non-food inflation rate to 21.8% in September 2024 from 22.7% in August 2024. In September 2023, headline inflation was 27.8%, driven by food inflation of 36.8% and non-food inflation of 17.2%.

The 2024 inflation projections for Malawi from various published sources range between 32.4% and 34.3% (median 33%). The Economist Intelligence Unit (EIU), Oxford Economics, and the World Bank have projected the annual average inflation at 34.3%, 32.4%, and 33.6%, respectively. The inflation forecasts for the year have been attributed to deficit financing (purchasing government securities by RBM), a weak exchange rate, and elevated food prices.

The 2025 inflation projections for Malawi from various published sources range between 15.3% and 28.3% (median 22.3%). According to the EIU, inflation will average 28.3% in 2025, due to continued deficit financing ahead of the 2025 election. Oxford Economics forecasts inflation to ease gradually from December 2024 and average 17.3% in 2025 due to base effects (year-on-year price comparisons will be against last year's high prices, leading to smaller changes). Further, the World Bank projects 2025 annual average inflation at 27.3% and the IMF projects it at 15.3%. Both the World Bank and IMF expect an improvement in inflation from 2024 due to declining food prices in 2025.

Foreign Currency Market and Reserves

The RBM raised USD550,000 from foreign exchange auctions held in October 2024. The RBM disclosed that based on the auction results, the market selling price of the US dollar remains at MK1,751/USD.

As of 31 August 2024, the country's total foreign exchange reserves decreased by 3.9% to USD549.85 million from USD572.02 million in July 2024. The low foreign exchange reserves have hindered the importation of critical resources such as food, fuel and raw materials. There have been fuel supply challenges in the country since October 2024.

Government Securities

The government awarded MK369.23 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in October 2024, an increase of 55.0% from MK238.25 billion awarded in September 2024. During the review period, the average TB and TN yields were maintained at 20.67% and 31.95%, respectively.

Stock Market

The stock market was bullish as the Malawi All Share Index (MASI) increased to 147,216.86 points in October 2024 from 142,686.97 points in September 2024, representing a 3.17% increase. The MASI year-to-date return was 32.69% in October 2024. It was 83.72% in October 2023.

In October 2024, TNM was the most significant share price gainer as its share price increased by 24.39% to MK23.00 per share from MK18.49 per share in September 2024. There were also share price gains for AIRTEL, SUNBIRD, ICON, BHL, ILLOVO, and STANDARD by 22.33%, 6.66%, 6.17%, 5.18%, 4.24%, and 3.00%, respectively. There were marginal share price gains for NICO, OMU, NBS, and NBM.

Fiscal and Monetary Policy

The African Development Bank (AfDB) has signed three protocol grant agreements with the Government of Malawi, amounting to USD46.27 million. This funding includes USD22.97 million for budget support to implement various agriculture sector reforms.

The Government of Malawi has signed an agreement with the European Union (EU), allowing the EU to provide EUR55 million in budget support.

As disclosed in the local debt issuance calendar, the government seeks to raise MK319.9 billion through TN auctions and MK180.9 billion through TB auctions, for a total of MK500.7 billion in the fourth quarter of 2024.

Following the fourth Monetary Policy Committee (MPC) meeting of 2024 held on 4 November 2024, the MPC resolved to maintain the Policy Rate at 26.0%. The MPC also decided to maintain the Lombard Rate at 20 basis points above the policy rate and the Liquidity Reserve Requirement (LRR) ratios at 3.75% for foreign currency deposits. However, the Committee resolved to raise the LRR ratio for domestic currency deposits by 125 basis points to 10.0% from 8.75%.

Commodity Market

The retail maize price decreased by 0.9% to MK790/kg in the last week of September 2024 from MK797/kg in August 2024. Year-on-year, it has increased by 13.7%, as it was at MK695/kg in September 2023.

Economic Growth

The 2024 real gross domestic product (GDP) growth rate projections for Malawi from various published sources range between 1.3% and 3.3% (median 1.8%). Most sources attribute the subdued growth to the impact of El Nino on agricultural production and its spillover effects on the rest of the economy.

The MPC noted that real GDP growth is projected at 2.3% for 2024. This growth rate reflects the impact of El Nino weather conditions on agricultural production and continued foreign exchange shortages.

The World Bank, International Monetary Fund (IMF), EIU, and Oxford Economics project real GDP growth for 2024 in the range of 1.3% to 1.8%. The subdued growth in 2024 is on account of the impact of El Nino on the agricultural sector and its spillover effects to the rest of the economy.

For 2025, the real GDP growth forecasts for Malawi from various published sources range between 1.6% and 4.3% (median 4%). The forecasted rebound is due to a recovery of the agricultural sector that will arise because of anticipated better weather conditions.

The RBM projects growth of 4.3% in 2025 reflecting anticipated good weather conditions and positive benefits from the full operationalization of the mega-farms investments.

The EIU expects real GDP growth of just 1.6% in 2025 after growth averaging 1.2% in 2022-23, as hard-currency shortages exacerbated by drought conditions weigh on agricultural output and power supply.

According to the World Bank, real GDP growth for 2025 is anticipated to be 4.2% due to agricultural sector recovery and spillovers towards manufacturing and transportation subsectors.

Oxford Economics forecasts a modest rebound in real GDP growth in 2025 of 3.5% on the back of more favourable weather conditions and positive developments in the industrial and construction sectors.

The IMF projects real GDP growth of 4.0% in 2025, attributing the recovery to anticipated good weather conditions in 2025 which will lead to the agricultural sector's recovery.

A brief on the International Monetary Fund Regional Economic Outlook for Sub-Saharan Africa

According to the IMF, Sub-Saharan Africa faces a complex economic situation, balancing progress with persistent vulnerabilities. While many countries have made policy adjustments that narrowed internal and external imbalances, around half of the region still experiences significant economic challenges. Inflation control and fiscal consolidation have helped stabilize debt, and some countries are returning to international markets. However, issues like double-digit inflation in a third of the countries, high debt burdens, and inadequate foreign exchange reserves persist.

The IMF outlines three main obstacles that policymakers are facing in the region: low and uneven growth projected at 3.6% for 2024, constrained financing options, and socio-economic pressures due to poverty, governance challenges, and rising living costs. These pressures complicate reform efforts, particularly in high-imbalance countries, which may require rapid adjustments due to tight financing conditions. In contrast, countries with moderate imbalances might adopt gradual policies, while even low-imbalance countries must rebuild fiscal and external buffers.

To gain public support, the IMF stresses the importance of protecting vulnerable populations and creating job opportunities through reforms. Improved communication, governance, and reforms promoting economic diversification and inclusion will reduce vulnerabilities and foster stability, especially for women.

Opportunities in Malawi

Trade: Malawi and other countries in Southern Africa have been called to maximise the use of the Indian Ocean port of Nacala in Mozambique for enhanced integration and trade. Consequently, the Malawi Government has secured a 99-year lease agreement to develop a terminal at Nacala Port. According to Mozambique Ports and Railways officials, the port can handle 10 million tonnes of cargo per year, of which it only handles about 40% currently. The port is handling 30% of cargo to Malawi, and following the port upgrade last year, it is at its best capacity to handle more cargo volumes.

Malawi and Mozambique have signed a landmark Simplified Trade Regime (STR) agreement under the Southern African Development Community Trade Protocol. This agreement aims to facilitate trade for small-scale cross-border traders and empower them to compete on regional and global levels. The Ministry of Industry and Trade has urged agencies such as the Malawi Revenue Authority and the Immigration Department to implement streamlined procedures for traders crossing the border.

Agriculture: The Ministry of Agriculture has announced a two-year project, with a budget of MK28 billion, aimed at encouraging 36,000 beneficiaries to adopt organic fertilizers in the country. This initiative follows the enactment of the Fertilizer Act, which is now in effect. In addition to organic fertilizers, the ministry will introduce new types of fertilizers, including Nano Urea, Nano NPK, Nano DAP, organo-mineral fertilizers, and inoculants.

Tourism: Blantyre Hotels Plc shareholders approved a rights offer of 5.04 billion new ordinary shares, targeting existing shareholders and new investors. This initiative aims to raise approximately MK62.4 billion, which will be invested in the company’s hotel project in Lilongwe. The company is currently constructing a 4-star 180-room hotel which will be operated by Marriott International. The capital raising is expected to be completed before the end of this year. The construction of the new hotel is expected to enhance Malawi’s capacity to host international tourists, encouraging tourist inflows to the country.

Energy: Opportunities exist in solar power, with solar radiation in Malawi being amongst the highest in the world. In addition, clean and efficient cookstoves using biomass energy are viable. The potential for renewable energy also exists in the form of hydropower.

Mining: Lindian Resources Limited has signed an off-take contract with a U.S.-based company for its Kangankunde Rare Earth Project in Balaka District. Geological experts suggest this development could allow mining activities to start within nine months. The contract includes the supply of 45,000 metric tonnes of monazite concentrate while allowing Lindian to pursue additional sales agreements with other partners. The beginning of the Kangankunde Rare Earth project should provide job opportunities for a lot of locals and encourage foreign direct investment in Malawi.

In late October, Lotus Resources (an Australian-based mining company) announced that it has raised USD87m to restart production at the mothballed Kayelekera uranium mine. In an update issued by the company on 6 November 2024, the company announced that operations at the Kayelekera mine will resume in Quarter 3 of 2025. The update also stated that the project has been fully funded for the restart with a A$130 million Placement (130 million Australian dollars), with A$25 million cash at the end of September 2024 and a Share Purchase Plan (SPP).

According to the EIU, the successful redevelopment of the Kayelekera mine is expected to support economic growth and, in the longer term, could encourage other international mining firms to enter the Malawian market. Further, in an address to the media, Lotus (Africa) Limited’s General Manager stated that the firm also plans to list on the Malawi Stock Exchange. If the plans are enacted, this provides an opportunity for the public and local companies to buy stakes in the company and participate in the mining sector.

Risks

The Malawian economy has continued to face several significant risks, including, but not limited to, public debt status, weather-related shocks, inflation, reliance on aid, delays in debt restructuring, and currency depreciation. These risk factors may limit the country’s potential for growth and worsen poverty.

According to the EIU, long delays in debt restructuring could impair government funding, leading to an abrupt rise in taxes. An abrupt rise in taxes could contract the economy.

As of the end of June 2024, the Ministry of Finance and Economic Affairs reported that Malawi's total public debt reached MK15.17 trillion (around USD8.75 billion). This debt includes MK8.01 trillion (USD4.62 billion) in domestic debt and USD4.13 billion (MK7.16 trillion) in external debt. With domestic debt making up 52.8% of the total and external debt 47.2%, this high level of indebtedness poses significant risks. Such a large debt burden can strain government finances, limit fiscal flexibility, and increase vulnerability to external shocks, potentially jeopardizing economic stability and growth.

Furthermore, Malawi faces inflation risk. The average inflation rate for 2023 was 28.7%. As of September 2024, the nine-month average is 33.4%. The 2025 inflation projections for Malawi from various published sources range between 15.3% and 28.3%. Inflation is expected to ease due to the improvement of the agricultural sector, but downside risks to the outlook include deficit financing and exchange rate weakness.

Economic overview

Inflation (Source: NSO, WB, IMF, EIU, IFPRI, Oxford Economics)

The headline inflation rate for September 2024 increased to 34.3% from 33.9% in August 2024 due to a rise in the food inflation rate.

The 2024 inflation projections for Malawi from various published sources range between 32.4% and 34.3%.

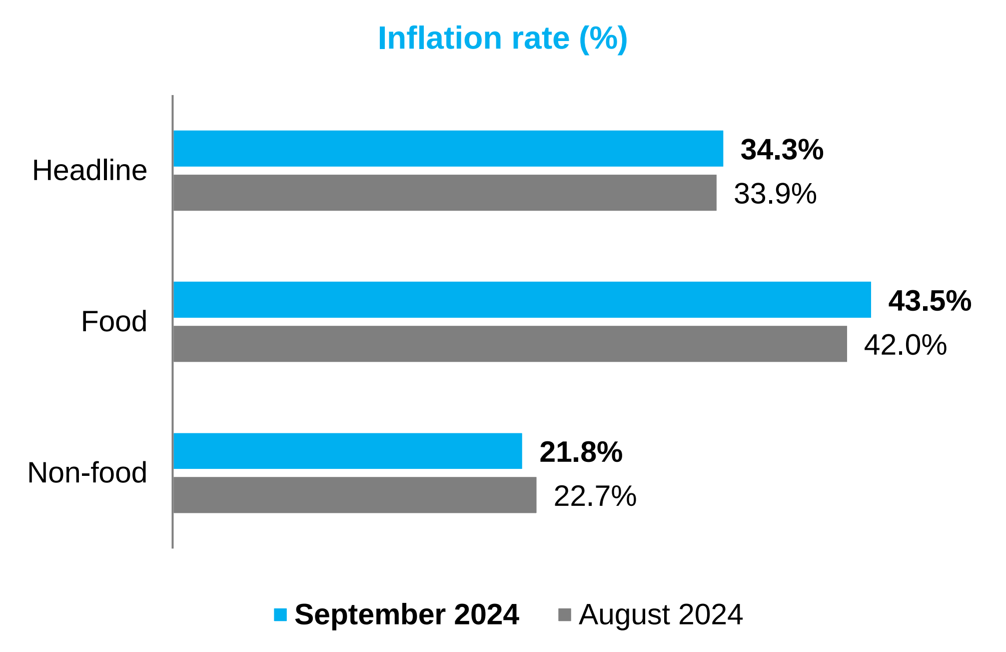
The 2025 inflation projections for Malawi from various published sources range between 15.3% and 28.3%.

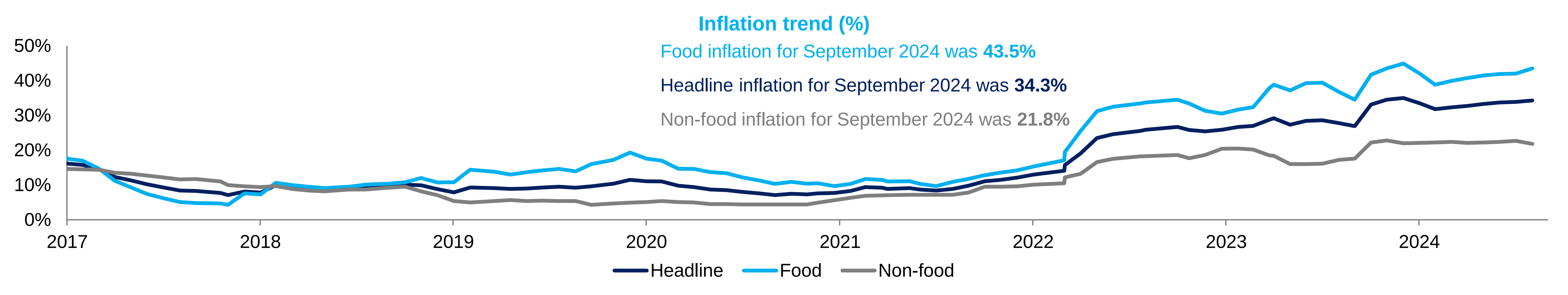
The headline inflation rate increased by 0.4 percentage points to 34.3% in September 2024 from 33.9% in August 2024. The increase was due to a rise in the food inflation rate to 43.5% in September 2024 from 42.0% in August 2024, which offset the decrease in the non-food inflation rate to 21.8% in September 2024 from 22.7% in August 2024. In September 2023, headline inflation was 27.8%, driven by food inflation of 36.8% and non-food inflation of 17.2%.

According to the September 2024 IFPRI Malawi monthly maize market report, maize prices decreased to MK790/Kg from MK797/Kg in August 2024. The price decrease was due to increased supply of maize from Tanzania and Zambia.

The EIU expects annual average inflation for 2024 to be 34.3% due to continued deficit monetization (purchasing government securities by RBM), which increases money supply, high global commodity prices, and currency weakness as the RBM shifts to a flexible exchange rate. Oxford Economics projects an annual average inflation of 32.4% owing to higher food inflation caused by lower crop yields and pressure on non-food inflation due to a weaker exchange rate. Additionally, the World Bank forecasts an annual average inflation of 33.6%. The World Bank notes that inflation remains elevated due to supply-side constraints and the high fiscal deficit. The recent drought has constrained maize supply and pushed prices up, further fueling inflation.

According to the EIU, inflation will remain elevated in 2025, at an average of 28.3%, due to continued deficit financing ahead of the 2025 election. This, combined with expected currency weakness as the RBM gradually shifts to a more flexible exchange rate is expected to keep inflation elevated in 2025. Oxford Economics forecasts inflation to ease gradually from December 2024 and average 17.3% in 2025 due to base effects (year-on-year price comparisons will be against last year's high prices, leading to smaller changes). Further, the World Bank projects 2025 annual average inflation at 27.3% and the IMF projects it at 15.3%. Both the World Bank and IMF expect an improvement in inflation from 2024 due to declining food prices in 2025.





Economic overview (continued)

Foreign currency market and Foreign reserve position (Source: RBM)

The RBM disclosed that based on the foreign exchange auction results, the market selling price of the US dollar remains at MK1,751/USD.

The low foreign exchange reserves have hindered the importation of critical resources such as food, fuel and raw materials. There have been fuel supply challenges in the country since October 2024.

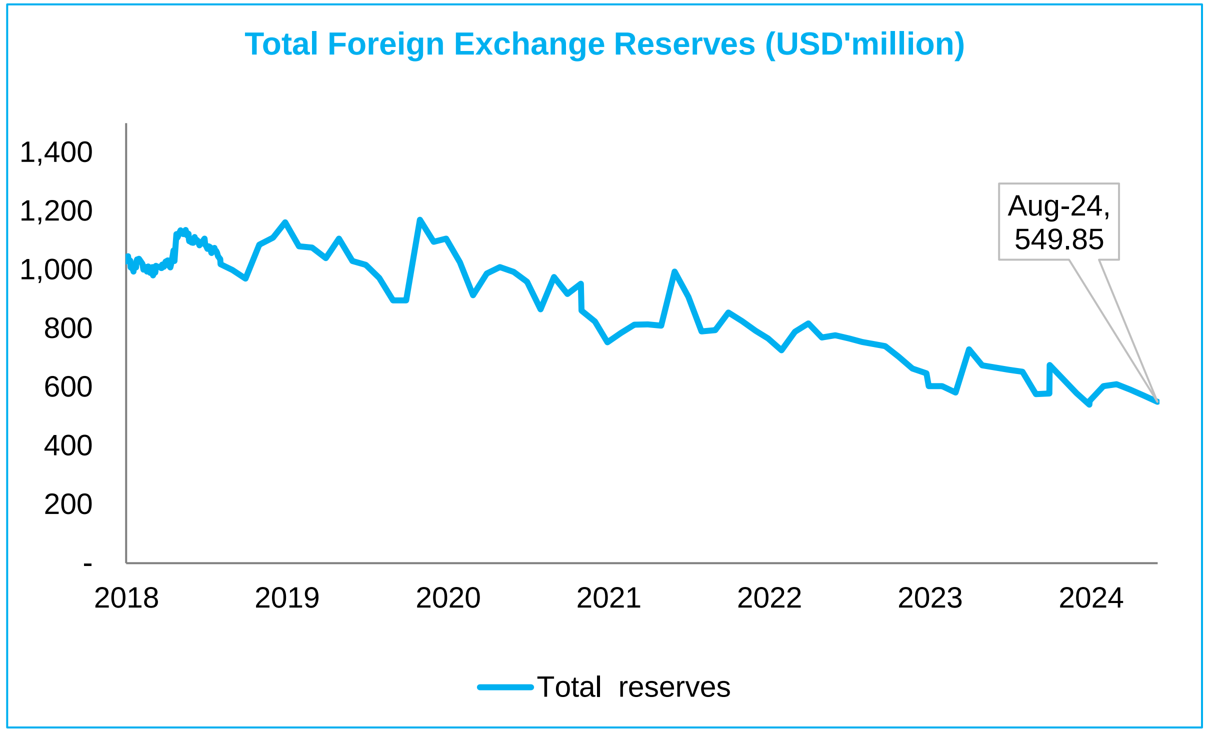
Foreign Currency Market

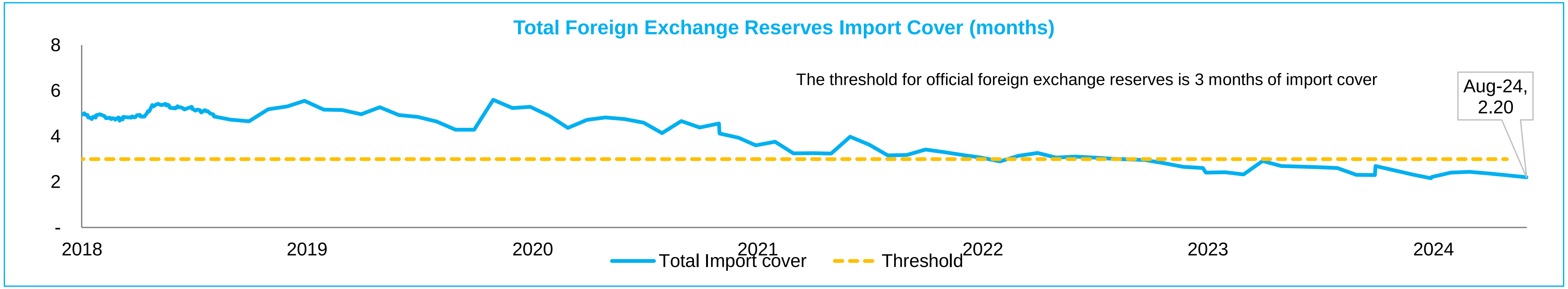
The RBM raised USD550,000 from foreign exchange auctions held in October 2024. The RBM disclosed that based on the auction results, the market selling price of the US dollar remains at MK1,751/USD.

Foreign Exchange Reserves Position

As of 31 August 2024, the country's total foreign exchange reserves decreased by 3.9% to USD549.85 million from USD572.02 million in July 2024. The import cover declined by 3.9% to 2.20 months in August 2024 from 2.29 months in July 2024. During the same period in the previous year, the total foreign exchange reserves were USD658.91 million.

	August 2024	July 2024	Month-on-month change (%)
Total Reserves (USD'millions)	**549.85**	572.02	-3.9%
Total import cover (months)	**2.20**	2.29	-3.9%





USD – United States Dollar

Economic overview (continued)

Stock Market (Source: MSE)

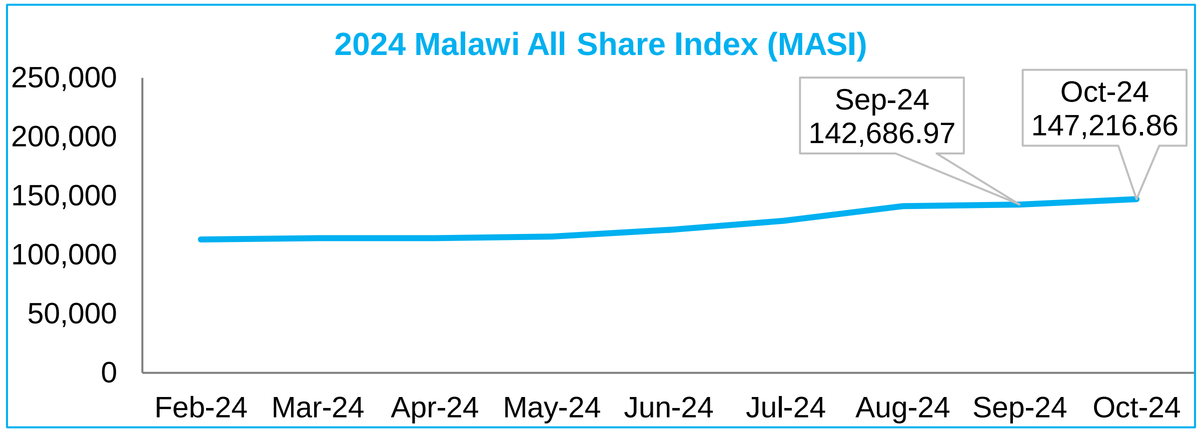
The MASI year-to-date return was 32.69% in October 2024. It was 83.72% in October 2023.

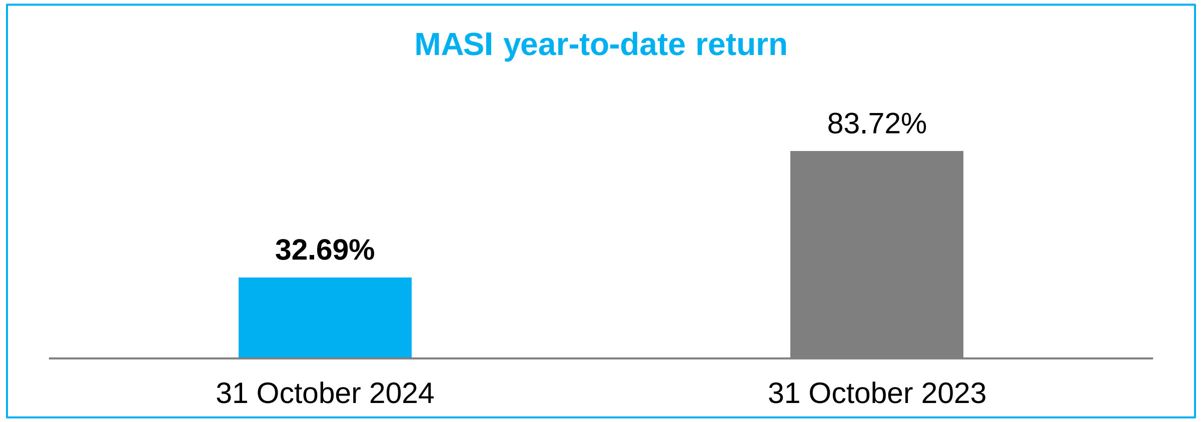
There were share price gains for TNM, AIRTEL, SUNBIRD, ICON, BHL, ILLOVO, and STANDARD.

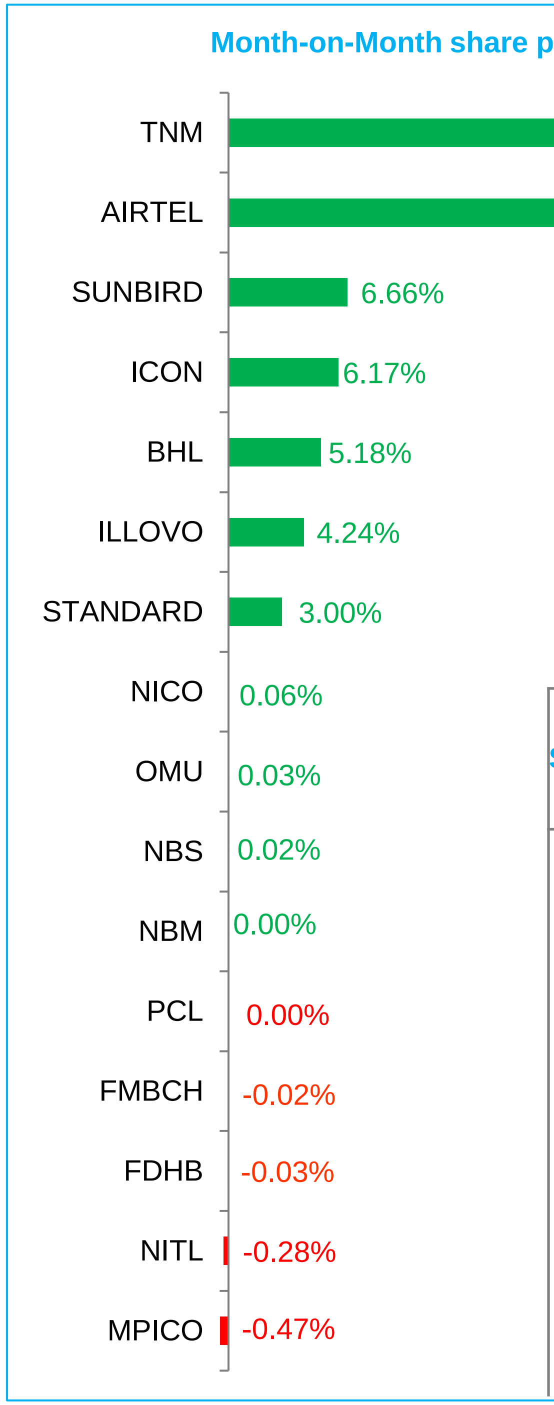
The stock market was bullish as the Malawi All Share Index (MASI) increased to 147,216.86 points in October 2024 from 142,686.97 points in September 2024, representing a 3.17% increase. The MASI year-to-date return was 32.69% in October 2024. It was 83.72% in October 2023.

In October 2024, TNM was the most significant share price gainer as its share price increased by 24.39% to MK23.00 per share from MK18.49 per share in September 2024. There were also share price gains for AIRTEL, SUNBIRD, ICON, BHL, ILLOVO, and STANDARD by 22.33%, 6.66%, 6.17%, 5.18%, 4.24%, and 3.00%, respectively. There were marginal share price gains for NICO, OMU, NBS, and NBM.

There were marginal share price losses for MPICO, NITL, FDH Bank, FMBCH, and PCL.







Symbol	Closing prices (MK/share)	
	31 October 2024	30 September 2024
AIRTEL	**55.05**	45.00
BHL	**14.21**	13.51
FDHB	**149.17**	149.22
FMBCH	**398.59**	398.68
ICON	**15.82**	14.90
ILLOVO	**1,355.09**	1,300.00
MPICO	**14.85**	14.92
NBM	**3,450.01**	3,449.94
NBS	**149.61**	149.58
NICO	**198.81**	198.70
NITL	**409.93**	411.08
OMU	**1,866.50**	1,866.00
PCL	**2,499.81**	2,499.83
STANDARD	**5,495.20**	5,335.06
SUNBIRD	**240.03**	225.05
TNM	**23.00**	18.49

Economic overview (continued)

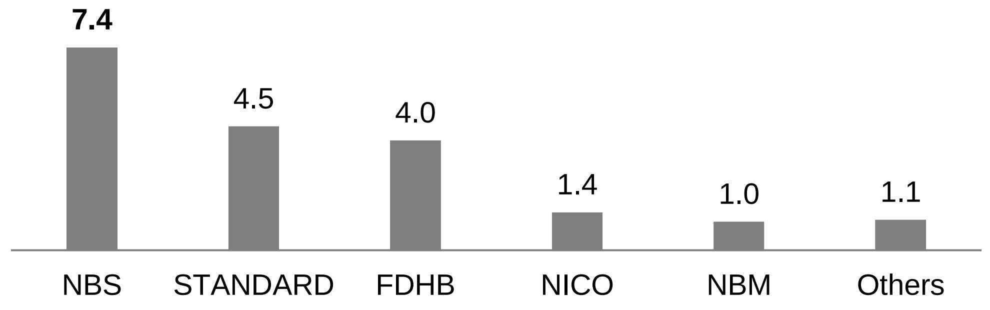
Stock Market (Source: MSE)

NBS had the highest value of shares traded in October 2024 at MK7.4 billion.

MSE Traded Values

A total of MK19.38 billion worth of shares were traded on the Malawi Stock Exchange (MSE) in October 2024. This represented an increase of 5.8% from MK18.32 billion shares traded in September 2024. NBS had the highest value of shares traded in October 2024 at MK7.4 billion.

The total number of trades decreased to 1,402 in October 2024 from 1,572 in September 2024.



Corporate Announcements

Published Financial Full Year Trading Statements

Counter	31 August 2024 (MK'billions)	31 August 2023 (MK'billions)	Trading statement profit/loss expectation
ILLOVO	17 - 28	56.8	(50%-70%)

Published Half-year financials

Counter	Profit after tax (MK'billions) Half-year 2024	Half-year 2023	Change (%)
AIRTEL	21.3	18.3	17%
BHL	(0.8)	(0.1)	500%
FDHB	27.9	15.0	86%
FMBCH (USD'mn)	46.8	42.0	11%
ICON	9.7	6.4	51%
ILLOVO	22.4	33.7	-34%
MPICO	5.7	5.1	12%
NBM	42.1	35.5	19%
NBS	32.6	12.2	169%
NICO	49.3	28.4	73%
NITL	4.3	16.5	-74%
OMU (ZAR'bn)	5.6	4.9	16%
PCL	45.3	34.3	32%
STANDARD	42.4	26.9	57%
SUNBIRD	4.8	1.6	203%
TNM	2.3	0.8	190%

Economic overview (continued)

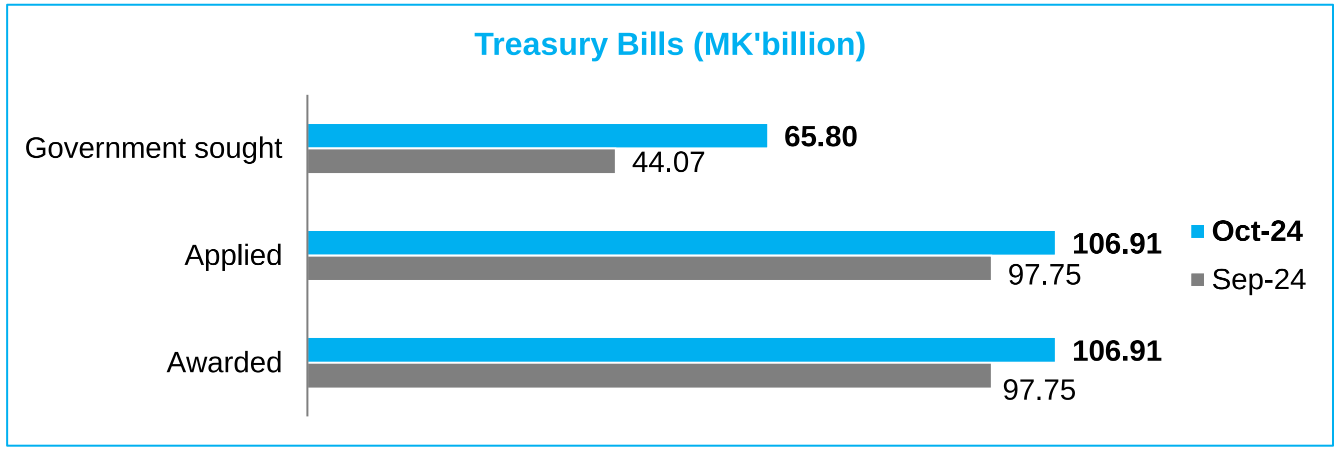
Government securities (Source: RBM)

The government awarded MK369.23 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in October 2024, an increase of 55.0% from MK238.25 billion awarded in September 2024.

From September 2024 to October 2024, the average TB and TN yields maintained at 20.67% and 31.95%, respectively.

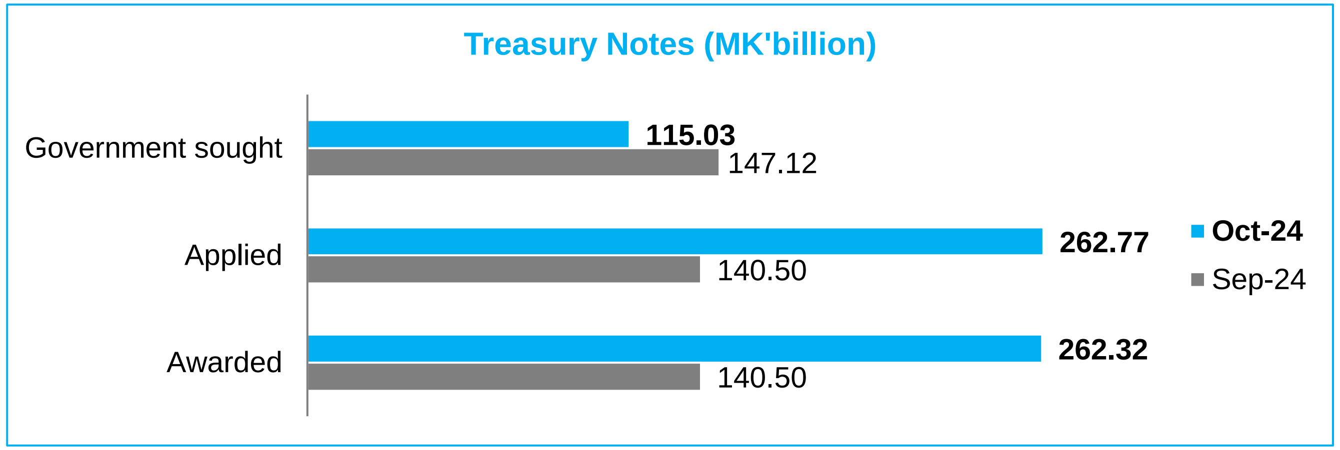
Treasury Bills (TBs)

In October 2024, the government sought to borrow MK65.80 billion through TB auctions, a 49.3% increase from MK44.07 billion in September 2024. Participants applied for MK106.91 billion, which was fully awarded, reflecting a 9.4% increase from the awarded amount of MK97.75 billion in September 2024. There was a nil rejection rate for the TB auctions.



Treasury Notes (TNs)

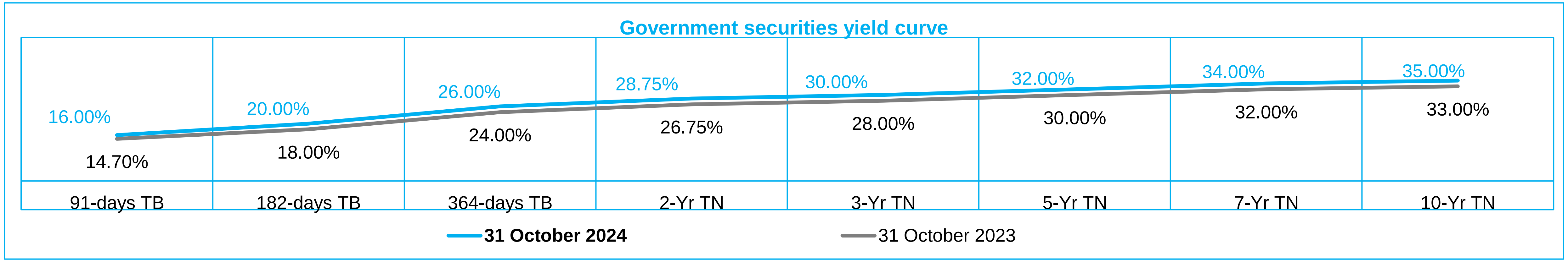
In October 2024, the government sought to borrow MK115.03 billion through TN auctions, a 21.8% decrease from MK147.12 billion in September. Participants applied for MK262.77 billion, of which MK262.32 billion was awarded, reflecting an 86.7% increase from the awarded amount of MK140.50 billion in September 2024. There was a 0.17% rejection rate for the auctions.



Government Securities Yield Curve

From September 2024 to October 2024, the 91, 182 and 364-day TB yields maintained at 16.00%, 20.00% and 26.00%, respectively. As such, the average TB yield maintained at 20.67% in October 2024. The average TB yield was 18.90% in October 2023.

From September 2024 to October 2024, the yields of 2, 3, 5, 7, and 10-year TNs were 28.75%, 30.00%, 32.00%, 34.00%, and 35.00%, respectively. As a result, the average TN yield maintained at 31.95% in October 2024. The average TN yield was 29.95% in October 2023.



Fiscal and Monetary Policy Developments

The AfDB has signed three protocol grant agreements with the Government of Malawi, amounting to USD46.27 million. This funding includes USD22.97 million for budget support to implement various agriculture sector reforms.

The Government of Malawi has signed an agreement with the European Union (EU), allowing the EU to provide EUR55 million in budget support.

At its fourth 2024 meeting, the MPC resolved to maintain the Policy Rate at 26.0%. However, the Committee resolved to raise the LRR ratio for domestic currency deposits by 125 basis points to 10.0% from 8.75%.

Fiscal Policy (Source: Various published media, RBM)

According to the RBM's August Monthly Economic review, in August 2024, the central government's total revenues and expenditures were MK329.7 billion and MK518.9 billion, respectively. This resulted in a deficit of MK189.2 billion compared to a surplus of K13.8 billion in July 2024 and a deficit of MK97.1 billion recorded in August 2023.

The African Development Bank (AfDB) has signed three protocol grant agreements with the Government of Malawi, amounting to USD46.27 million. This funding includes USD22.97 million for budget support aimed at implementing various reforms in the agriculture sector, along with USD22.3 million designated for mitigating fragility through the Africa Disaster Risk Financing Programme. Additionally, the package provides USD1 million in emergency humanitarian assistance to support ongoing government efforts to address the impacts of El Nino in the country.

The Government of Malawi has signed an agreement with the European Union (EU), allowing the EU to provide EUR55 million in budget support.

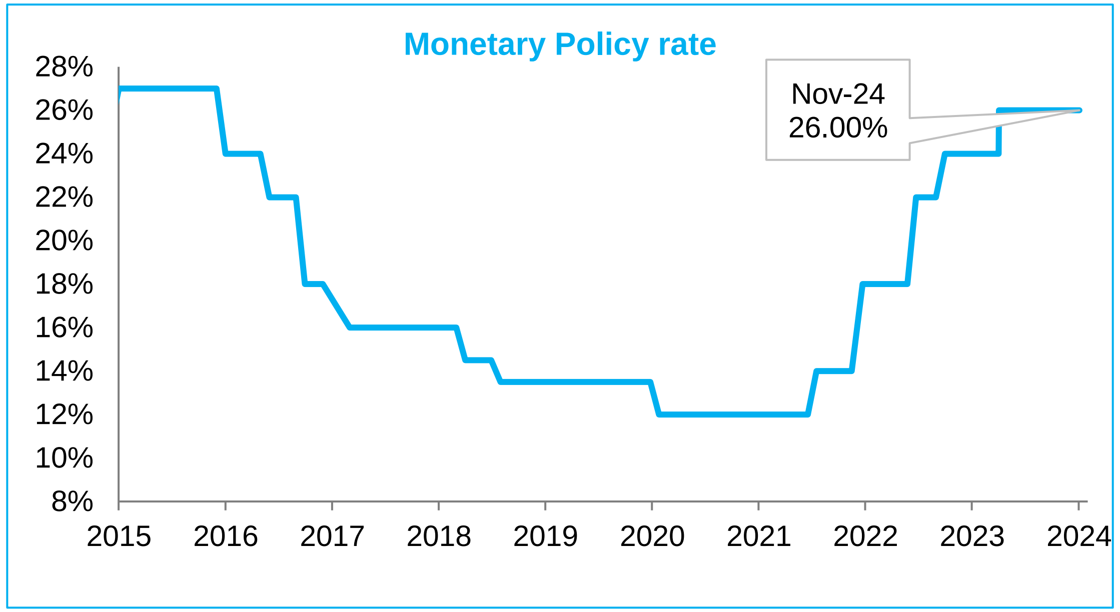
As disclosed in the local debt issuance calendar, the government seeks to raise MK319.9 billion through TN auctions and MK180.9 billion through TB auctions, for a total of MK500.7 billion in the fourth quarter of 2024.

Monetary Policy (Source: RBM, NBS)

Following the fourth Monetary Policy Committee (MPC) meeting of 2024 held on 4 November 2024, the MPC resolved to maintain the Policy Rate at 26.0%. The MPC also decided to maintain the Lombard Rate at 20 basis points above the policy rate and the Liquidity Reserve Requirement (LRR) ratios at 3.75% for foreign currency deposits. However, the Committee resolved to raise the LRR ratio for domestic currency deposits by 125 basis points to 10.0% from 8.75%.

The MPC arrived at this decision after noting that although inflation has remained elevated, there are strong prospects of slowing down from the fourth quarter of 2024, on account of favourable base effects (year-on-year price comparisons will be against last year's high prices, leading to smaller changes). The Committee also noted that money supply continues to grow sharply, posing risks to the inflation outlook.

The commercial bank reference rate for November 2024, effective 5 November 2024, is 25.5%, an increase from the October 2024 reference rate of 25.4%.



Commodity Market Developments

Maize, Oil, and other commodities market developments

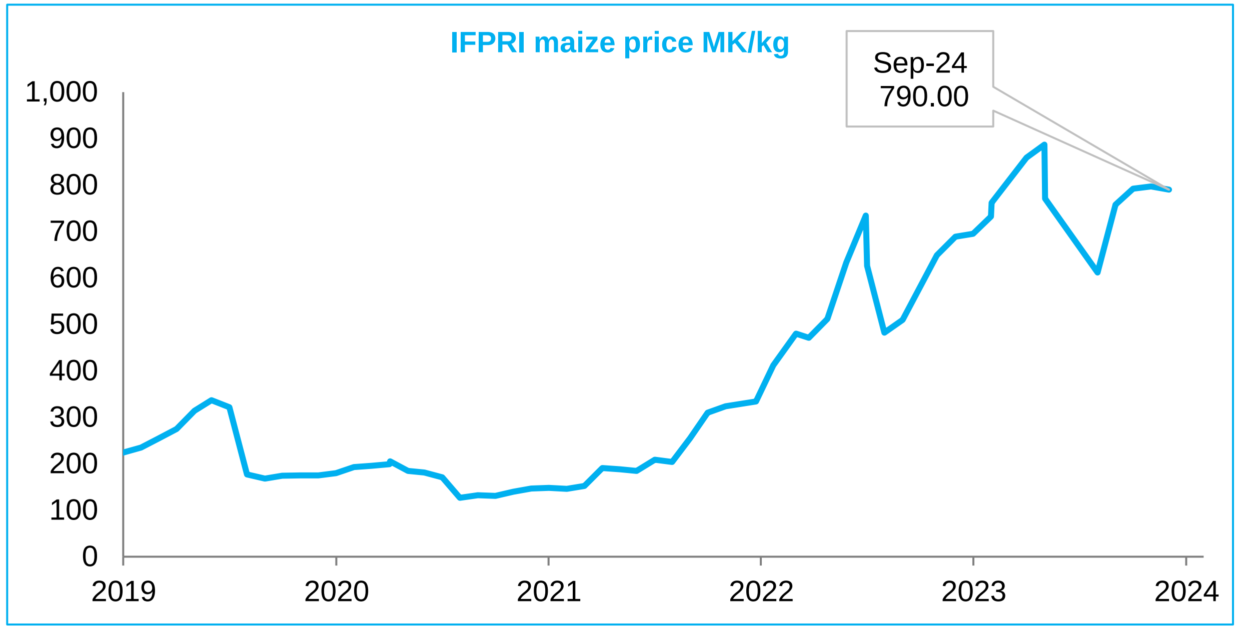
The retail maize price decreased by 0.9% to MK790/kg in the last week of September 2024 from MK797/kg in August 2024. Year-on-year, it has increased by 13.7%, as it was at MK695/kg in September 2023.

The monthly average OPEC reference basket price increased by 1.2% to USD74.45/barrel in October 2024 from USD73.59/barrel in September 2024. Year-on-year, it has decreased by 18.9% from an average price of USD91.78/barrel as of October 2023.

Local Maize Price Developments (Source: IFPRI)

Data from the International Food Policy Research Institute (IFPRI) September 2024 monthly maize market report showed that maize prices decreased by 0.9% to MK790/kg in the last week of September 2024 from MK797/kg in August 2024. The report further shows that maize prices were highest in the Southern region, followed by the Central region, whilst the Northern region had the lowest prices.

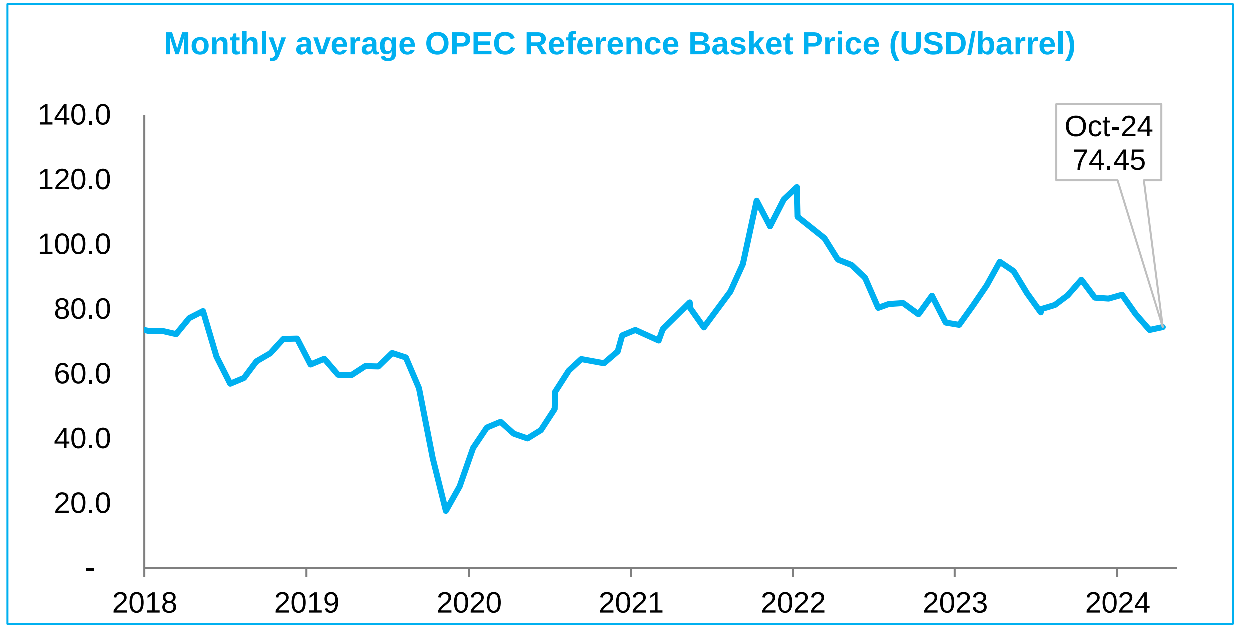
Annual comparisons indicate that the retail maize price has increased by 13.7%, as it was MK695/kg in September 2023.



Global Oil Price Developments (Source: OPEC)

The monthly average OPEC reference basket price increased to USD74.45/barrel in October 2024 from USD73.59/barrel in September 2024. This represents an increase of 1.2% month-on-month. Year-on-year, there was an 18.9% decrease from an average price of USD91.78/barrel as of October 2023.

In its October 2024 monthly report, OPEC revised its 2024 world oil demand growth forecast by 106 thousand barrels per day (tb/d) to 1.9 million barrels per day (mb/d). The oil demand of the Organization for Economic Co-operation and Development (OECD) is expected to grow by more than 0.1 mb/d. The non-OECD oil demand growth is expected to be about 1.8 mb/d. Total world oil demand is anticipated to average 104.1 million barrels per day (mb/d) in 2024, bolstered by strong air travel demand and road mobility, including trucking and healthy industrial, construction and agricultural activities in non-OECD countries.



Other Commodity Price Developments (Source: World Bank)

According to World Bank commodity prices data, global tea prices decreased to USD3.15/Kg in October 2024 from USD3.27/Kg in September 2024. World sugar prices remained stable as they marginally increased to USD0.46/Kg in October 2024 from USD0.45/Kg in September 2024. For fertilizers, Urea prices increased to USD374.8 per metric ton (USD374.8/mt) in October 2024 from USD337.5/mt in September 2024, Diammonium Phosphate (DAP) prices increased to USD573.4/mt in October 2024 from USD554.8/mt in September 2024, and Potassium Chloride prices decreased to USD278.1/mt in October 2024 from USD286.9/mt in September 2024.

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A brief on the International Monetary Fund Regional Economic Outlook for Sub-Saharan Africa

October 2024

A brief on the IMF Regional Economic Outlook for Sub-Saharan Africa

The IMF outlines three main obstacles for Sub-Saharan Africa: low and uneven growth projected at 3.6% for 2024, constrained financing options, and socio-economic pressures due to poverty, governance challenges, and rising living costs.

The IMF reports that while ongoing reforms in Sub-Saharan Africa are beginning to yield positive results, significant macroeconomic vulnerabilities remain.

Introduction

According to the IMF's Sub-Saharan Africa Regional Economic Outlook report for October 2024, Sub-Saharan Africa faces a complex economic situation, balancing progress with persistent vulnerabilities. While many countries have made policy adjustments that narrowed internal and external imbalances, around half of the region still experiences significant economic challenges. Inflation control and fiscal consolidation have helped stabilize debt, and some countries are returning to international markets. However, issues like double-digit inflation in a third of the countries, high debt burdens, and inadequate foreign exchange reserves persist.

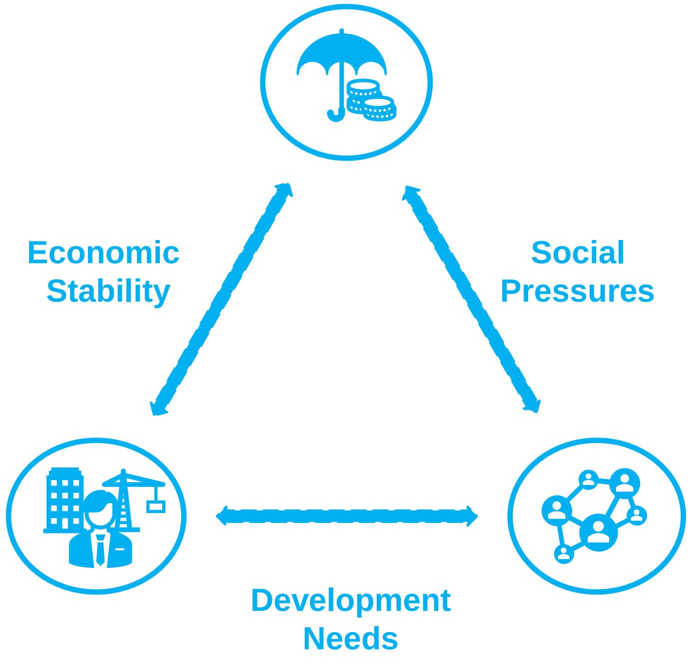
To gain public support, the IMF stresses the importance of protecting vulnerable populations and creating job opportunities through reforms. Improved communication, governance, and reforms promoting economic diversification and inclusion, especially for women, will reduce vulnerabilities and foster stability.

Reforms Amid Great Expectations

According to the IMF, Sub-Saharan African countries are working to implement essential reforms to stabilize their economies. While internal and external imbalances are beginning to narrow due to policy adjustments, the progress varies widely. Policymakers face three main challenges: low and uneven growth projected at 3.6% for 2024, constrained financing options, and significant socio-economic pressures arising from poverty, limited opportunities, and weak governance, compounded by rising living costs and the immediate impacts of economic adjustments.

Policymakers must strike a difficult balance between achieving economic stability and addressing development needs while ensuring socially acceptable reforms. Protecting vulnerable populations from adjustment costs and creating job opportunities are crucial for gaining public support. The IMF also stresses the importance of effective communication, well-designed reforms, and governance improvements to help rebuild public trust and ease reform implementation challenges.

Policymakers in Sub-Saharan Africa face a difficult balancing act



Ongoing reforms are bearing fruit, but macroeconomic vulnerabilities persist.

The IMF reports that while ongoing reforms in Sub-Saharan Africa are beginning to yield positive results, significant macroeconomic vulnerabilities remain. Policy adjustments have helped reduce internal and external imbalances, and efforts at monetary tightening have led to a decline in inflation in many countries, with about half the region now meeting inflation targets. Fiscal consolidation has also made progress, stabilizing debt levels in most countries and strengthening external positions, as reflected in narrower sovereign spreads and increased Eurobond market access for some nations.

However, the IMF notes that vulnerabilities persist, with high inflation, limited debt service capacity, and insufficient foreign exchange reserves still affecting a substantial portion of the region.

A brief on the IMF Regional Economic Outlook for Sub-Saharan Africa (continued)

In Sub-Saharan Africa, regional growth is projected to modestly increase to 4.2% in 2025, with strong improvements expected in Ghana, Botswana, Senegal, Malawi, Zambia, and Zimbabwe.

Malawi, Zambia, and Zimbabwe are expected to rebound next year on account of a recovery from the drought affecting the region.

The IMF identifies three key challenges facing policymakers in the region. First, economic growth remains low and uneven, projected at 3.6% for 2024. Resource-dependent countries, particularly oil exporters, lag behind others due to structural issues and challenges such as conflicts, droughts, and power shortages. Second, financing conditions are tight, with many countries struggling to access or afford funding, as domestic debt markets are often saturated and global borrowing costs remain high. While China recently pledged USD51 billion in aid to Africa, financial constraints persist, making gradual economic adjustments challenging. Third, social and political pressures, including social unrest driven by high living costs and deep-seated structural inequalities, complicate policy reform efforts. Food price increases have intensified public discontent, particularly where fiscal measures like subsidy cuts or tax increases add to economic hardships.

The economic outlook is gradually improving amid adjustment, but risks abound

In Sub-Saharan Africa, regional growth is projected to modestly increase to 4.2% in 2025, with solid improvements expected in Ghana, Botswana, Senegal, Malawi, Zambia, and Zimbabwe. Malawi, Zambia, and Zimbabwe are expected to rebound next year on account of a recovery from the drought affecting the region. South Africa is also likely to see growth gains due to reduced power outages and positive post-election sentiment. However, global factors like stable growth, non-fuel commodity prices, and a forecasted 10% drop in oil prices are expected to have limited benefits for exports. Over the medium term, GDP growth is projected to stabilize around 4.4%, but with income per capita growth below 2%, insufficient to significantly improve living standards or reduce poverty.

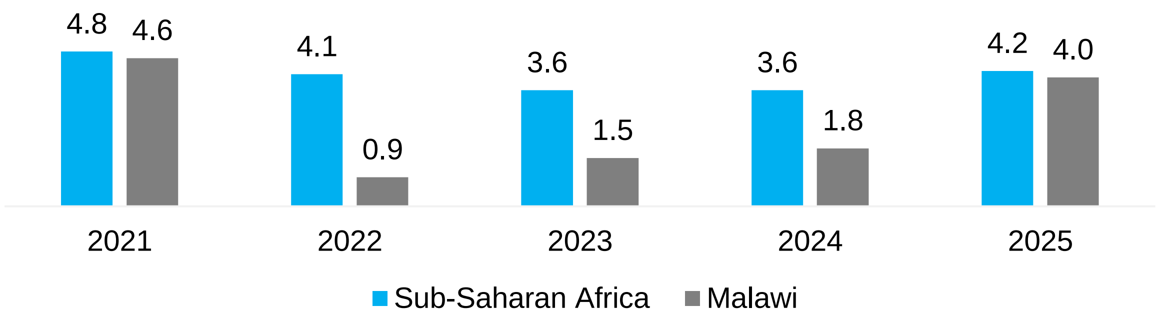
Inflation is expected to decline, with regional headline inflation projected to drop from 18.1% in 2024 to 12.3% in 2025, driven by reductions in Angola, Ghana, and Nigeria. Fiscal adjustments will continue in 2025 as countries work to build buffers and manage debt. More than two-thirds of countries plan to tighten public finances, focusing on expenditure cuts and tax base expansion while preserving social spending. However, many countries will reduce public investment, potentially affecting long-term growth.

Post-election periods in Sub-Saharan Africa historically offer opportunities for fiscal consolidation. On average, budget deficits shrink by about 1.4% of GDP in the three years following an election, mainly through spending cuts rather than tax increases. This expected fiscal tightening should support a gradual improvement in the region's current account deficits, projected to decrease from 4.3% of GDP in 2024 to 3.7% of GDP in 2025. Oil exporters may see their usual current account surpluses narrow due to fluctuating oil prices.

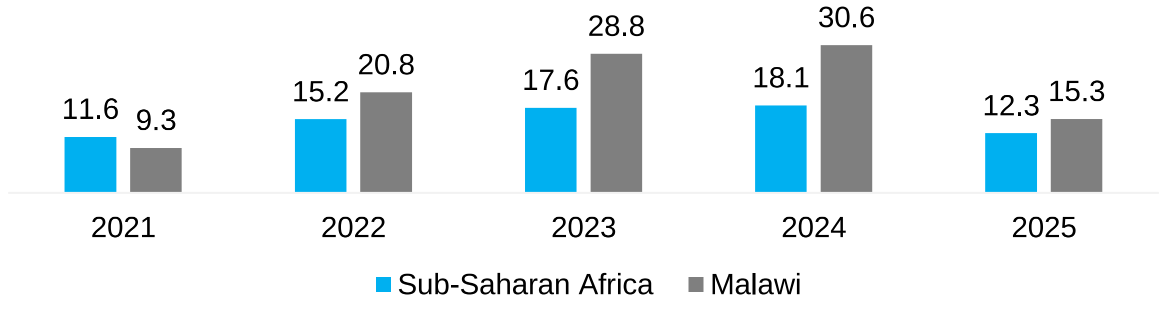
The region faces multiple risks, predominantly from local factors. Social unrest, worsened by weak institutions and limited policy space, poses risks to economic stability. Climate change is increasing the frequency of natural disasters, leading to higher food prices, hunger, and migration. The spread of Mpox has strained resources, particularly in the Democratic Republic of the Congo. At the same time, global factors such as financial market volatility, conflicts, commodity price shifts, and a slowdown in major economies (e.g., China and the US) could further impact growth. Fragmentation in global economic cooperation may also disrupt trade and official aid flows, adding to challenges for vulnerable countries.

IMF simulations illustrate the impact of some risks: a 1.5% rise in sovereign risk premiums would reduce growth by 0.7% from 2025–26, while a 10% increase in global energy and food prices would raise inflation by 1.3% and lead to modest contractions in some resource-importing countries. A 1% drop in growth in major economies would reduce regional exports by 1.4% and regional growth by 0.3%.

Real GDP annual % change



Consumer prices, annual average % change



A brief on the IMF Regional Economic Outlook for Sub-Saharan Africa (continued)

The IMF recommends leveraging fiscal policy to address inequality by broadening the tax base, enhancing progressive taxes, and increasing social spending. Current social protections are under-resourced and poorly targeted, especially for informal sector workers, while subsidies on essential goods remain widespread but inefficient.

Navigating the path ahead: painful choices, but inaction is not an option.

Policymakers in sub-Saharan Africa are navigating a delicate balance in managing macroeconomic adjustments amid tight fiscal and monetary constraints, as outlined by the IMF. These governments must address three main policy areas:

1. **Monetary Policy**: With inflationary pressures easing in some countries, the challenge is determining the timing for lowering policy rates without jeopardizing economic stability. While certain countries (e.g., Botswana, Mozambique, and Rwanda) have started easing, most have maintained or increased rates to manage inflation and maintain credibility.

2. **Fiscal Policy**: Reducing debt vulnerabilities while managing spending pressures is critical. This involves crafting adjustment plans prioritising social spending despite political pushback against tax hikes. Debt sustainability remains a key objective, particularly given the high cost of borrowing in the region.

3. **Exchange Rate Management**: Exchange rate adjustments are often necessary due to external pressures and low foreign reserves. Although currency depreciation can improve competitiveness, it may also lead to inflation and risks in financial stability where currency mismatches exist.

Financing constraints exacerbate these challenges. Unlike advanced economies, most Sub-Saharan African nations face high borrowing costs and limited access to funds, restricting policy flexibility. Policymakers are urged to fine-tune policies based on specific economic imbalances, with some countries potentially needing more aggressive adjustments to build credibility and reduce sovereign risk spreads.

Three scenarios guide policy decisions:

- **Countries with high imbalances**: Large, front-loaded fiscal adjustments, possibly coupled with debt restructuring, may be necessary. Monetary tightening will likely continue, though social impact mitigation is crucial.

- **Moderate Imbalances**: Gradual policy easing is possible, but continued fiscal discipline is essential to avoid high debt costs. This group may pursue revenue-based adjustments, although political feasibility can be limited.

- **Low Imbalances**: These countries should focus on rebuilding fiscal and external buffers for resilience against future shocks, with gradual adjustments that foster long-term stability.

Fiscal Policy for Inclusion

The IMF recommends leveraging fiscal policy to address inequality by broadening the tax base, enhancing progressive taxes, and increasing social spending. Current social protections are under-resourced and poorly targeted, especially for informal sector workers, while subsidies on essential goods remain widespread but inefficient. Strengthening medium-term fiscal strategies with clear debt anchors and improving governance and transparency in public financial management would enhance credibility and reduce the need for abrupt adjustments.

Navigating Reform Challenges

With widespread popular frustration, effective reform implementation requires public engagement, appropriate policy sequencing, compensatory measures, and a transparent, accountable government framework. Broad-based communication, stakeholder involvement, and measures to protect the most affected groups (e.g., social safety nets) are essential to sustain public support and mitigate the social costs of reform.

Fostering Inclusive Growth

To unlock sustained growth, the IMF suggests creating jobs, especially through private sector support, improving access to finance and education, and diversifying economies, particularly resource-intensive countries. Priorities include enhancing the business environment, investing in human capital, and expanding infrastructure, particularly energy.

IMF's Role

The IMF has committed over USD60 billion to the region in recent years, primarily at concessional rates, and continues to assist through financial aid and capacity-building initiatives. Key support areas include public financial management, domestic revenue mobilization, climate resilience, and governance reforms. The IMF emphasizes that additional grant funding and concessional finance are necessary to facilitate growth-friendly adjustments in a financially constrained environment.

Appendices

Appendix 1: Historical Monthly Economic Indicators

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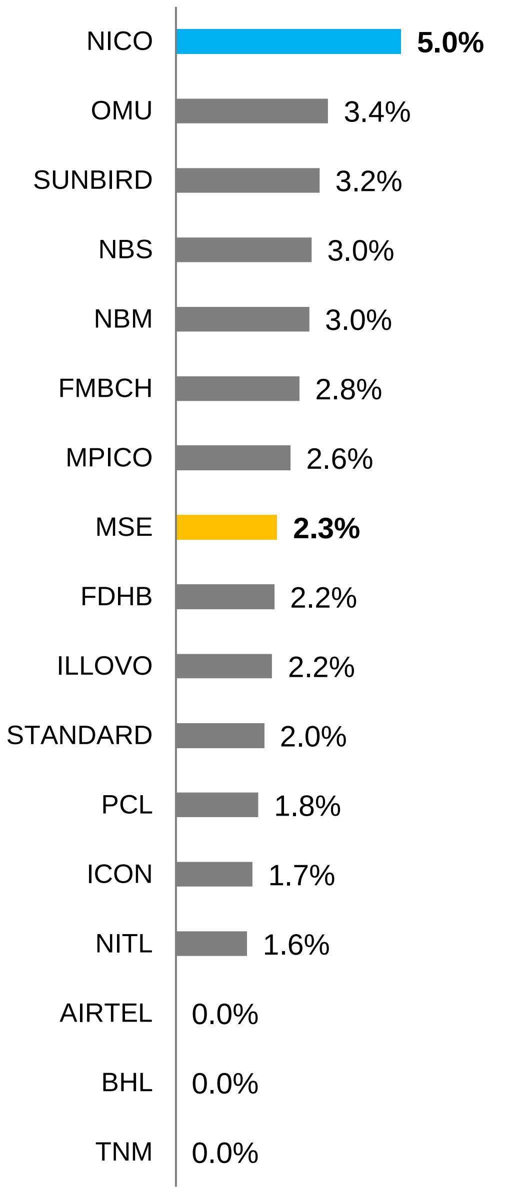
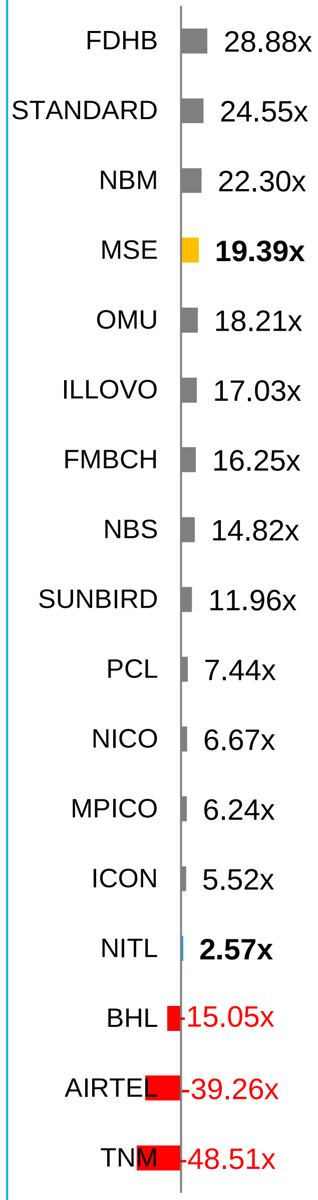
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Exchange rates (middle rates)													
MK/USD	1,179.83	1,699.31	1,697.98	1,697.80	1,698.50	1,750.38	1,745.70	1,750.76	1,749.51	1,749.95	1,750.31	1,750.37	N/A
MK/GBP	1,473.63	2,219.25	2,224.30	2,221.35	2,217.83	2,268.77	2,256.81	2,285.22	2,274.74	2,311.11	2,368.68	2,411.29	N/A
MK/EUR	1,285.81	1,907.62	1,917.45	1,888.43	1,887.38	1,949.34	1,922.25	1,951.14	1,922.54	1,947.33	1,994.06	2,003.14	N/A
MK/ZAR	63.95	92.72	94.17	92.94	90.38	94.64	95.40	95.89	96.89	97.91	101.09	105.69	N/A
Foreign Exchange Reserves													
Gross Official Reserves (USD'mn)	169.3	165.20	242.58	174.80	143.60	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Sector Reserves (USD'mn)	396.9	413.20	433.01	401.90	396.72	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total reserves (USD'mn)	566.2	578.40	675.58	576.70	540.32	552.94	603.07	610.18	591.51	572.02	549.85	N/A	N/A
Gross Official Reserves Import cover (months)	2.3	0.7	1.0	0.70	0.57	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Inflation													
Headline	26.9%	33.1%	34.5%	35.0%	33.5%	31.8%	32.3%	32.7%	33.3%	33.7%	33.9%	34.3%	N/A
Food	34.5%	41.7%	43.5%	44.9%	42.0%	38.8%	39.9%	40.7%	41.5%	41.9%	42.0%	43.5%	N/A
Non-food	17.6%	22.2%	22.8%	22.0%	22.1%	22.2%	22.4%	22.1%	22.2%	22.4%	22.7%	21.8%	N/A
Interest Rates													
Monetary Policy Rate	24.00%	24.00%	24.00%	24.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%
Average Interbank Rate	22.91%	23.00%	23.00%	23.00%	22.63%	22.22%	22.54%	23.39%	24.17%	24.20%	24.37%	24.20%	N/A
Lombard Rate	24.20%	24.20%	24.20%	24.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%
Commercial Bank Reference Rate	23.50%	23.50%	23.60%	23.60%	24.90%	24.90%	24.90%	25.00%	25.10%	25.40%	25.40%	25.40%	25.40%
Government Securities Yields													
91-days Treasury Bill	14.70%	14.70%	14.70%	14.70%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%
182-days Treasury Bill	18.00%	18.00%	18.00%	18.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
364-days Treasury Bill	24.00%	24.00%	24.00%	24.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%
2-year Treasury Note	26.75%	26.75%	26.75%	26.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%
3-year Treasury Note	28.00%	28.00%	28.00%	28.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
5-year Treasury Note	30.00%	30.00%	30.00%	30.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
7-year Treasury Note	32.00%	32.00%	32.00%	32.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%
10-year Treasury Note	33.00%	33.00%	33.00%	33.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Year-to-date Return													
MASI	83.72%	81.81%	78.85%	4.25%	1.88%	2.96%	2.95%	4.03%	9.15%	16.26%	27.33%	28.60%	32.69%
DSI	76.48%	74.35%	69.99%	0.03%	-2.21%	0.47%	0.46%	1.68%	7.63%	14.76%	27.45%	28.90%	33.57%
FSI	167.39%	168.05%	181.28%	33.77%	30.43%	20.39%	20.39%	20.38%	19.75%	26.76%	26.48%	26.54%	26.51%

Appendix 2: Selected stock market statistics as of 31 October 2024

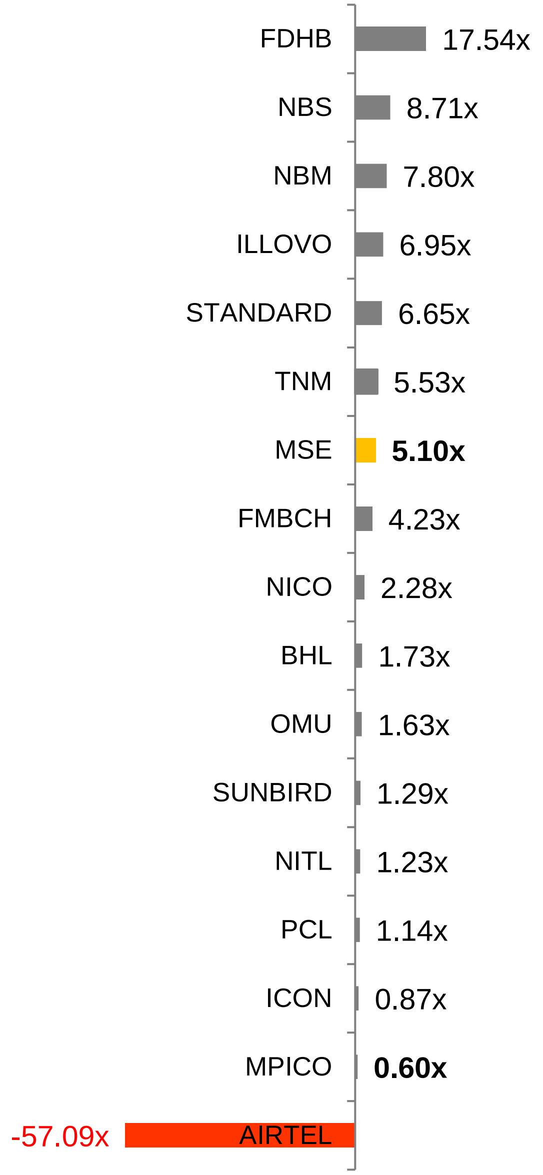
Dividend Yield (%) - the weighted average dividend yield on the MSE was 2.3% in October 2024. The counter with the highest dividend yield was NICO at 5.0%.



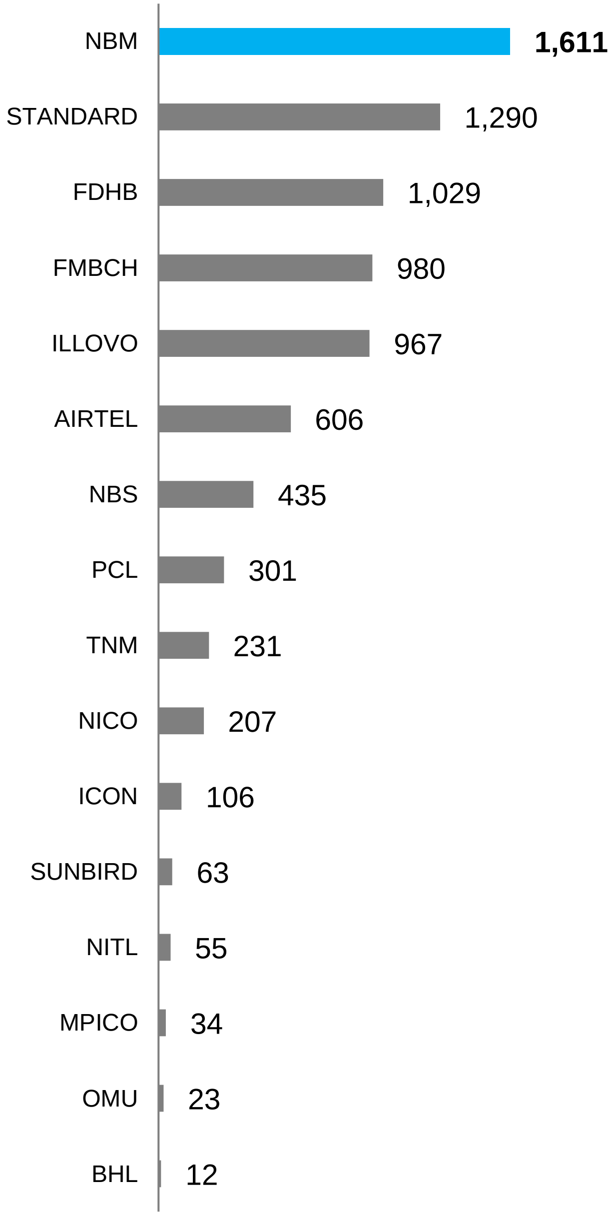
P/E Ratio - the weighted average price to earnings ratio on the MSE was 19.39x in October 2024. The counter with the lowest positive ratio was NITL at 2.57x.



P/BV Ratio - the weighted average price to book value ratio on the MSE was 5.10x in October 2024. The counter with the lowest positive ratio was MPICO at 0.60x.



Market Capitalization (MK'billion) – NBM had the highest market capitalization at MK1.61 trillion in October 2024.



Appendix 3: IMF, World Bank, and AfDB Projections

IMF projections

Annual percentage change (unless otherwise indicated)	2021	2022	2023	2024	2025
Real GDP	4.6	0.9	1.5	1.8	4.0
Consumer prices, annual average	9.3	20.8	28.8	30.6	15.3
Overall fiscal balance, including grants (% of GDP)	-8.3	-9.3	-9.2	-8.0	-5.6
Government debt (% of GDP)	66.5	76.7	91.3	84.5	82.3
Broad money (% of GDP)	20.1	23.6	25.2	25.2	25.2
External current account, including grants	-15.4	-16.7	-16.3	-13.9	-13.8
External debt (% of GDP)	37.4	31.3	33.2	41.3	43.0
Reserves (months of imports of goods and services)	0.2	0.4	0.7	1.9	3.0

Source: IMF Sub-Saharan Africa Regional Economic Outlook, October 2024

AfDB projections

Annual percentage change (unless otherwise indicated)	2022	2023	2024	2025
Real GDP growth	0.9	1.5	3.3	3.8
Consumer price index inflation	20.8	28.7	27.3	14.3

Source: AfDB Malawi Country Focus Report, July 2024

World Bank projections

Annual percentage change (unless otherwise indicated)	2021	2022	2023	2024	2025	2026
Real GDP growth, at constant market prices	2.8	0.9	1.6	1.8	4.2	3.3
Private consumption	2.6	0.6	3.8	4.7	4.8	5.6
Government consumption	-1.1	-5.8	14.8	5.3	7.6	-0.8
Gross fixed capital investment	6.5	12.4	-14.3	-6.5	0.4	-14.1
Exports, goods and services	2.5	3.1	3.5	8.8	6.7	6
Imports, goods and services	2.5	3.9	3.9	9.6	6.3	3.9
Real GDP growth, at constant factor prices	2.8	0.9	1.6	1.8	4.2	3.3
Agriculture	5.2	-1	0.6	-2	5	3
Industry	1.9	0.9	1.6	2.1	3.3	3.1
Services	2	1.8	2.1	3.3	4.2	3.5
Inflation (consumer price index)	9.3	20.9	28.7	33.6	27.3	22.6
Current account balance (% of GDP)	-15.2	-17.3	-16.1	-18.7	-16.5	-14.4
Net foreign direct investment inflow (% of GDP)	0.8	1.6	1.5	1.2	1.1	1
Fiscal balance (% of GDP)	-8.4	-10.3	-10.2	-7.7	-9.9	-6.4
Revenues (% of GDP)	15.1	16.2	16.8	16.6	16.7	16.5
Debt (% of GDP)	67.2	75.5	90.3	85.4	83.2	79.5
Primary balance (% of GDP)	-4.4	-5.8	-5.6	-3.3	-5.7	-3.1

Source: World Bank Sub-Saharan Africa Macro-poverty Outlook, October 2024

Appendix 4: EIU and Oxford Economics Projections

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EIU projections

Economic growth (%)	2023	2024	2025	2026	2027	2028
Real GDP	1.6	1.3	1.6	2.3	2.5	2.8
Private consumption	1.7	1.1	1.2	2.2	2.9	3.0
Government consumption	1.8	1.5	1.6	2.1	2.5	2.5
Gross fixed investment	2.0	1.9	2.6	3.2	4.4	4.5
Exports of goods & services	4.4	3.9	3.6	5.0	4.9	5.1
Imports of goods & services	3.9	3.3	3.0	4.5	4.9	5.0
Domestic demand	1.7	1.2	1.4	2.3	3.0	3.1
Agriculture	1.0	-1.0	1.3	1.6	1.6	1.9
Industry	1.4	2.2	2.4	3.0	2.7	2.9
Services	2.0	2.2	2.6	3.9	3.5	3.8
Key indicators						
Consumer price inflation (av; %)	28.8	34.3	28.3	23.9	17.4	13.9
Government balance (% of GDP)	-9.3	-9.6	-9.7	-9.0	-8.4	-8.0
Current-account balance (% of GDP)	-15.2	-14.0	-9.3	-8.4	-8.2	-8.0
Short-term interest rate (av; %)	13.7	16.0	15.0	14.0	12.0	10.0
Exchange rate MK: US$ (av)	1,149.1	1,727.7	1,817.3	1,995.2	2,206.4	2,416.4
Exchange rate MK: US$ (end-period)	1,683.5	1,758.8	1,867.9	2,107.3	2,292.6	2,524.6

Source: EIU Malawi Five-year Forecast Report, September 2024

Oxford Economics Projections

Annual percentage unless indicated otherwise	2022	2023	2024	2025	2026	2027
Real GDP growth	0.8	1.5	1.7	3.5	4.8	4.5
CPI inflation	20.8	28.6	32.4	17.3	9.9	7.8
Exports of goods ($ bn)	1.0	1.1	1.2	1.3	1.3	1.4
Imports of goods ($ bn)	2.9	3.0	3.1	3.3	3.4	3.6
Current account ($ bn)	-2.2	-2.3	-2.0	-1.8	-1.8	-1.8
Current account balance (% of GDP)	-17.9	-17.2	-16.4	-13.7	-12.5	-11.7
Exchange rate per USD (year average)	949.0	1,161.1	1,735.3	1,825.3	1,929.9	2,035.2
External debt total ($ bn)	3.3	4.2	4.8	5.3	5.7	6.1
Government balance (% of GDP)	-9.4	-7.6	-6.2	-5.8	-5.4	-5.2
Government debt (% of GDP)	75.8	81.3	81.3	81.2	80.3	80.0
Population (millions)	20.6	21.1	21.7	22.2	22.8	23.4
Nominal GDP ($ bn)	12.4	13.3	11.9	13.5	14.6	15.5
GDP per capita ($ current prices)	603.8	628.3	551.5	607.8	638.8	665.1

Source: Oxford Economics Malawi Economic Forecast, October 2024

Appendix 5: World Bank commodity market prices

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World Bank commodity prices

	Annual averages				Monthly averages						
					April	May	June	July	August	September	October
Produce (USD/mt)	2020	2021	2022	2023	2024	2024	2024	2024	2024	2024	2024
Soybeans	407.0	583.0	675.0	598.0	477.0	490.0	480.0	470.0	400.0	391.0	442.0
Maize	165.5	259.5	318.8	252.7	191.7	197.8	192.5	177.4	170.3	185.0	190.3
Sugar & Tea (USD/Kg)											
Sugar - EU	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Sugar - U.S.	0.6	0.7	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8
Sugar - World	0.3	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.5
Tea - average	2.7	2.7	3.1	2.7	3.0	3.2	3.2	3.3	3.2	3.3	3.2
Fertilizers (USD/mt)											
DAP	312.4	601.0	772.2	550.0	545.0	522.0	543.0	539.4	546.0	554.8	573.4
Phosphate rock	76.1	123.2	266.2	321.7	152.5	152.5	152.5	152.5	152.5	152.5	152.5
Potassium chloride	241.1	542.8	863.4	383.2	305.0	307.0	310.0	300.6	294.0	286.9	278.1
TSP	265.0	538.2	716.1	480.2	442.5	434.9	473.8	505.8	507.2	504.4	503.8
Urea, E. Europe	229.1	483.2	700.0	358.0	320.0	284.8	336.3	342.5	342.5	337.5	374.8
Precious Metals (USD/toz)											
Gold	1,770.0	1,800.0	1,801.0	1,943.0	2,331.0	2,351.0	2,326.0	2,398.0	2,470.0	2,571.0	2,690.0
Platinum	883.0	1,091.0	962.0	966.0	940.0	1,015.0	985.0	979.0	945.0	967.0	999.0
Silver	20.5	25.2	21.8	23.4	27.5	29.4	29.6	29.8	28.5	30.1	32.4

Source: World Bank Commodities Price Data (The Pink Sheet), November 2024

Appendix 6: List of Acronyms and Abbreviations

AfDB:	African Development Bank
AHL:	Auction Holdings Limited
A$:	Australian Dollar
av:	Average
BHL:	Blantyre Hotels Plc
bn:	Billion
CPI:	Consumer Price Index
DAP:	Diammonium Phosphate
ECF:	Extended Credit Facility
EIU:	Economist Intelligence Unit
EU	European Union
EUR:	Euro
FDHB:	FDH Bank Plc
FMBCH:	FMB Capital Holdings Plc
GBP:	Great British Pound
GDP:	Gross Domestic Product
IFPRI:	International Food Policy Research Institute
IMF:	International Monetary Fund
Kg:	Kilogram
LRR:	Liquidity Reserve Requirement
MASI:	Malawi All Share Index
Mb/d:	Million barrels per day
MK:	Malawi Kwacha
Mn:	Million
MPC:	Monetary Policy Committee
MSE:	Malawi Stock Exchange
Mt:	Metric tons
NBM:	National Bank of Malawi Plc
NICO:	NICO Holdings Plc
NITL:	National Investment Trust Limited Plc
NSO:	National Statistical Office
OECD:	Organization for Economic Co-operation and Development
OMU:	Old Mutual Limited Plc
OPEC:	Organization of the Petroleum Exporting Countries
P/BV:	Price to book value
PCL:	Press Corporation Limited Plc
P/E:	Price to earnings
RBM:	Reserve Bank of Malawi
STR	Simplified Trade Regime
SUNBIRD:	Sunbird Tourism Plc
TB:	Treasury Bill
Tb/d	Thousand barrels per day
TN:	Treasury Note
TNM:	Telekom Networks Malawi Plc
Toz:	Troy ounces
UN:	United Nations
US	United States of America
USD:	United States Dollar
ZAR:	South African Rand

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Contact Information

Bridgepath Capital Limited

1st Floor (106), Development House

Corner Henderson Street Road

P.O. Box 2920

Blantyre

Tel No: + 265 111 828 355

Email: info@bridgepathcapitalmw.com

Website: www.bridgepathcapitalmw.com

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CONTACT US

www.bridgepathcapitalmw.com
+265 0886 500 555
info@bridgepathcapitalmw.com
+265 111 828 355