



# Malawi Financial Market Update

Week ending 15 November 2024

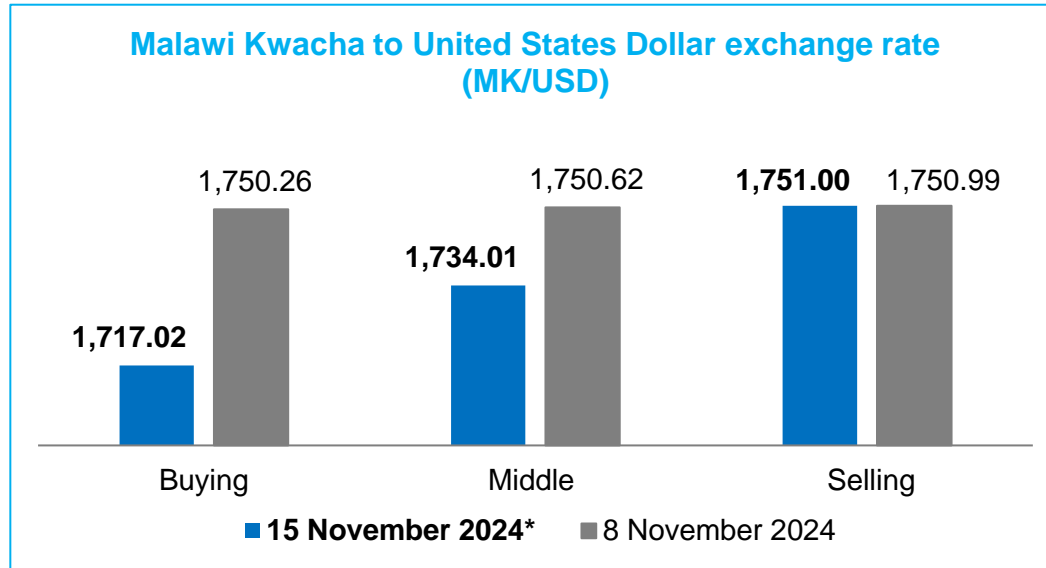


The Monetary Policy Committee (MPC) has lowered the 2024 inflation outlook by 100 basis points to an average of 32.5%.

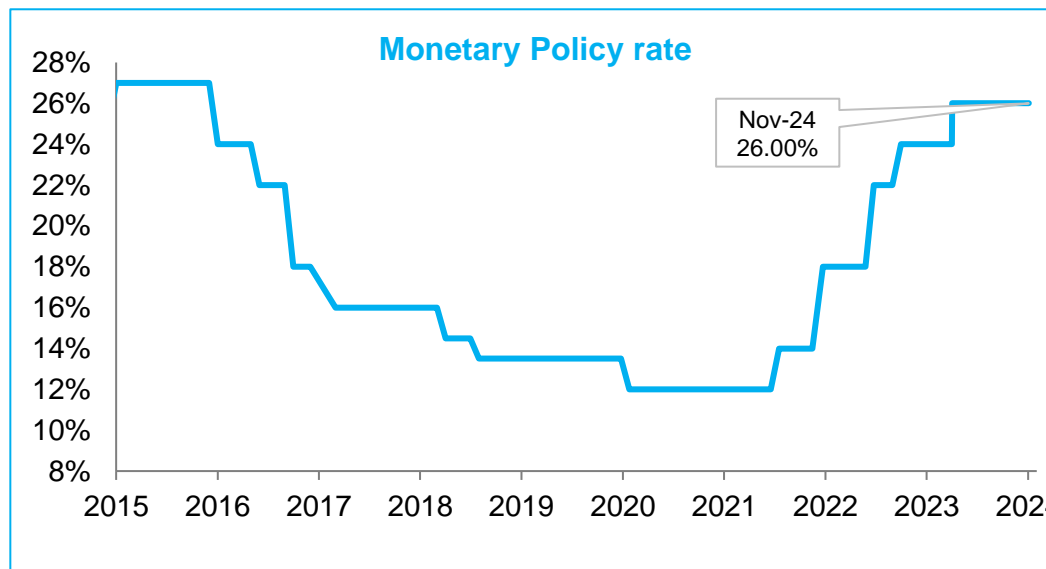
# Malawi Financial Market Update: Week ending 15 November 2024

## Exchange rate and other market developments

### Exchange rate (Source: RBM)



### Monetary Policy rate (Source: Reserve Bank of Malawi)



### What Happened This Week

1. The Monetary Policy Committee (MPC) has lowered the 2024 inflation outlook by 100 basis points to an average of 32.5%. Headline inflation is projected to decline further in 2025 due to supportive monetary policy, improved climate, and favorable base effects, though risks remain from rising money supply growth (*Statement of the Monetary Policy Committee Fourth Meeting, 4 November 2024*).
2. The Kanyika Niobium Mine in Mzimba is set to begin phase one construction in early 2025, with Global Metals and Mining finalizing off-taking agreements this quarter. The initial phase is estimated to cost USD46 million, with first production anticipated in the first quarter of 2026 (*The Nation, 14 November 2024*).
3. The Reserve Bank of Malawi (RBM) has indicated that the annual growth rate of broad money (M2) increased to 48.8% in September 2024, up from 43.4% in August. The increase was driven by year-on-year growth in demand for deposits, term deposits, and foreign currency deposits (*RBM Monthly Economic Review, September 2024*).
4. Top Multilateral Development Banks (MDBs), including the World Bank and African Development Bank, have pledged USD120 billion annually for climate financing in low and middle-income countries. High-income countries are set to receive USD50 billion annually. Additionally, MDBs aims to mobilize USD130 billion from the private sector (*Joint MDB Statement for COP29, 12 November 2024*).
5. According to RBM, Malawi has registered a trade deficit of USD193 million by the end of third quarter of 2024. The decline was driven by reduced sales of key exports including Tobacco, pulses, groundnuts and sugar (*RBM Monthly Economic Review, September 2024*).
6. The Insurance Association of Malawi has announced that it is planning to replace paper-based insurance certificates with digital ones, to reduce fraud and help ease foreign exchange shortages. The new system, accessible via USSD, will be usable on basic mobile phones. Motorists with traditional certificates are expected to collect the digital ones at no cost before December 31, 2024 (*The Nation, 15 November 2024*).

\*: Reserve Bank of Malawi opening exchange rates as of 15 November 2024

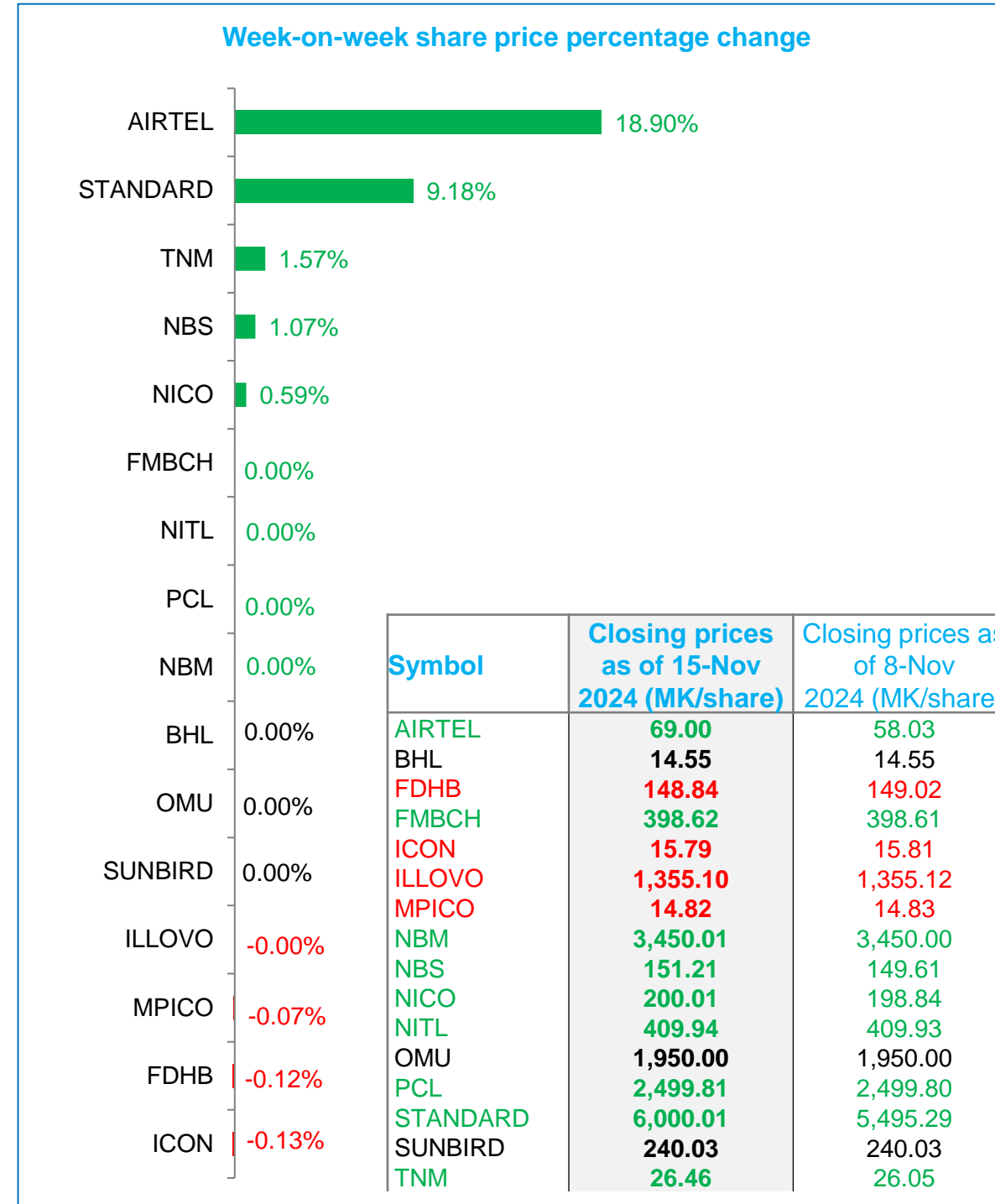
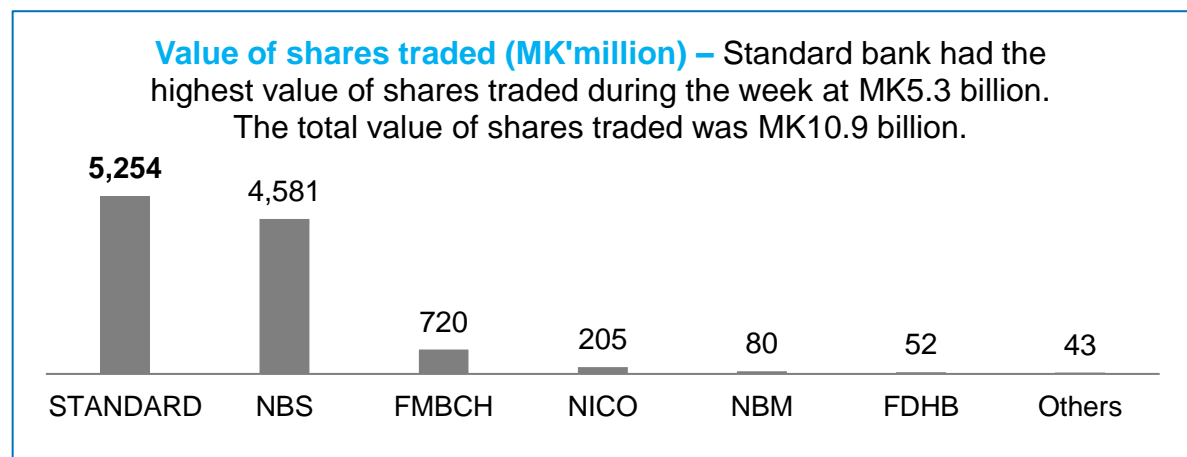
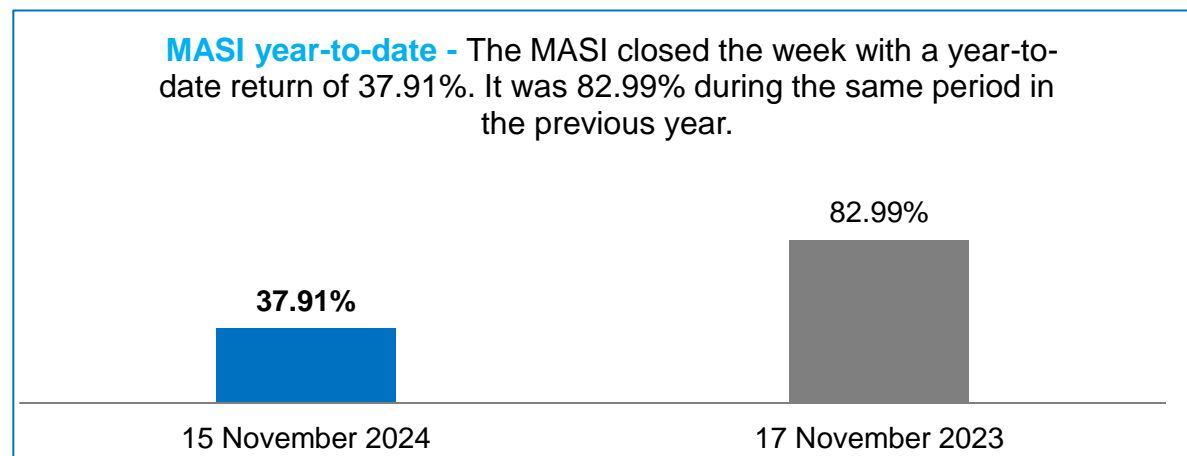
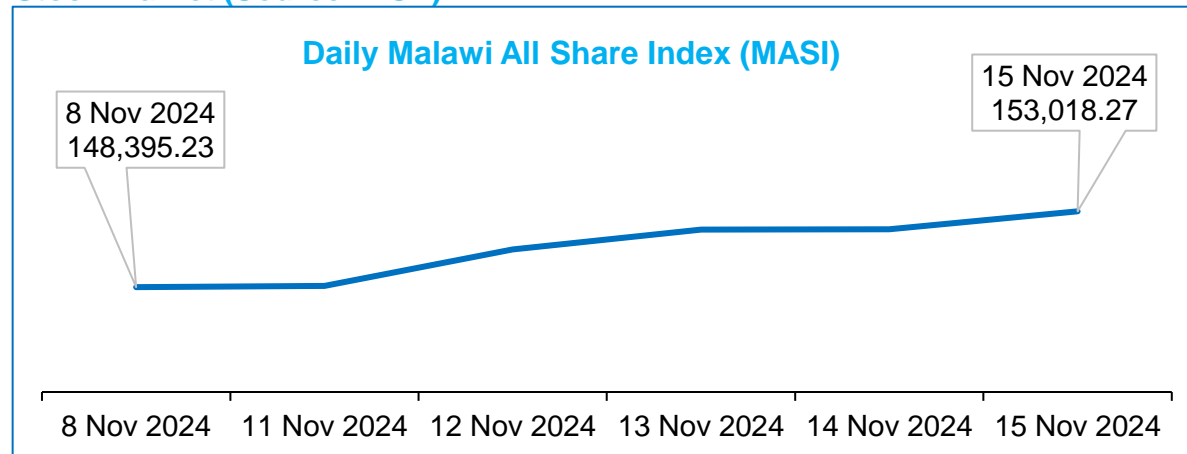


# Malawi Financial Market Update: Week ending 15 November 2024

The stock market was bullish, with the Malawi All Share Index (MASI) closing the week ending 15 November 2024 at 153,018.27 points from 148,395.23 points for the week ending 8 November 2024.

This was primarily driven by 18.90%, 9.18%, 1.57%, and 1.07% share price gains for AIRTEL, STANDARD, TNM, and NBS respectively.

## Stock market (Source: MSE)



Symbol	Closing prices as of 15-Nov 2024 (MK/share)	Closing prices as of 8-Nov 2024 (MK/share)
AIRTEL	69.00	58.03
BHL	14.55	14.55
FDHB	148.84	149.02
FMBCH	398.62	398.61
ICON	15.79	15.81
ILLOVO	1,355.10	1,355.12
MPICO	14.82	14.83
NBM	3,450.01	3,450.00
NBS	151.21	149.61
NICO	200.01	198.84
NITL	409.94	409.93
OMU	1,950.00	1,950.00
PCL	2,499.81	2,499.80
STANDARD	6,000.01	5,495.29
SUNBIRD	240.03	240.03
TNM	26.46	26.05



The Reserve Bank of Malawi held auctions for all tenors of Treasury Bills (TBs) and Treasury Notes (TNs) during the period under review.

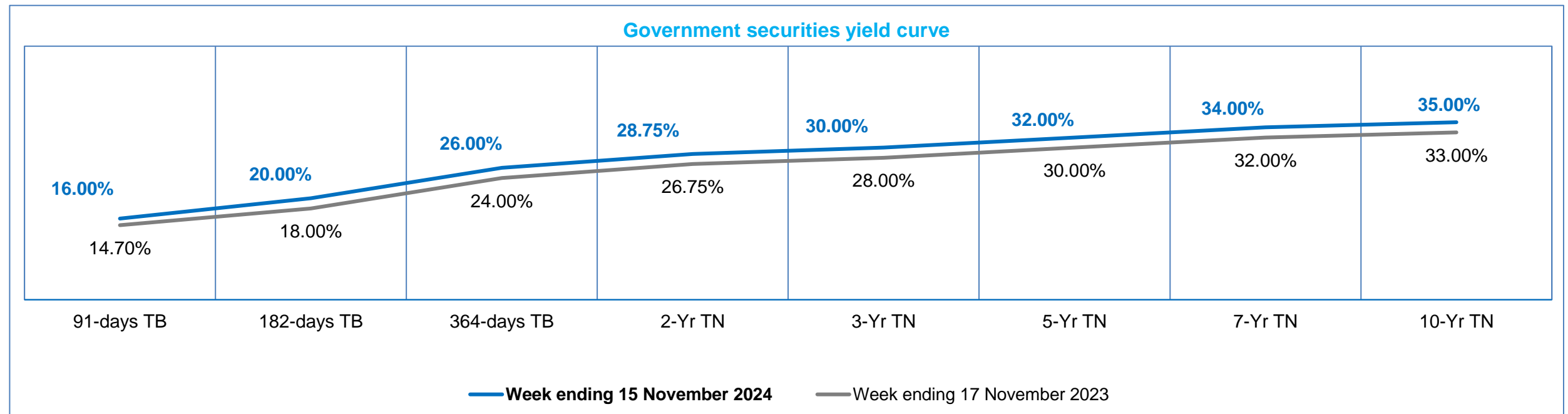
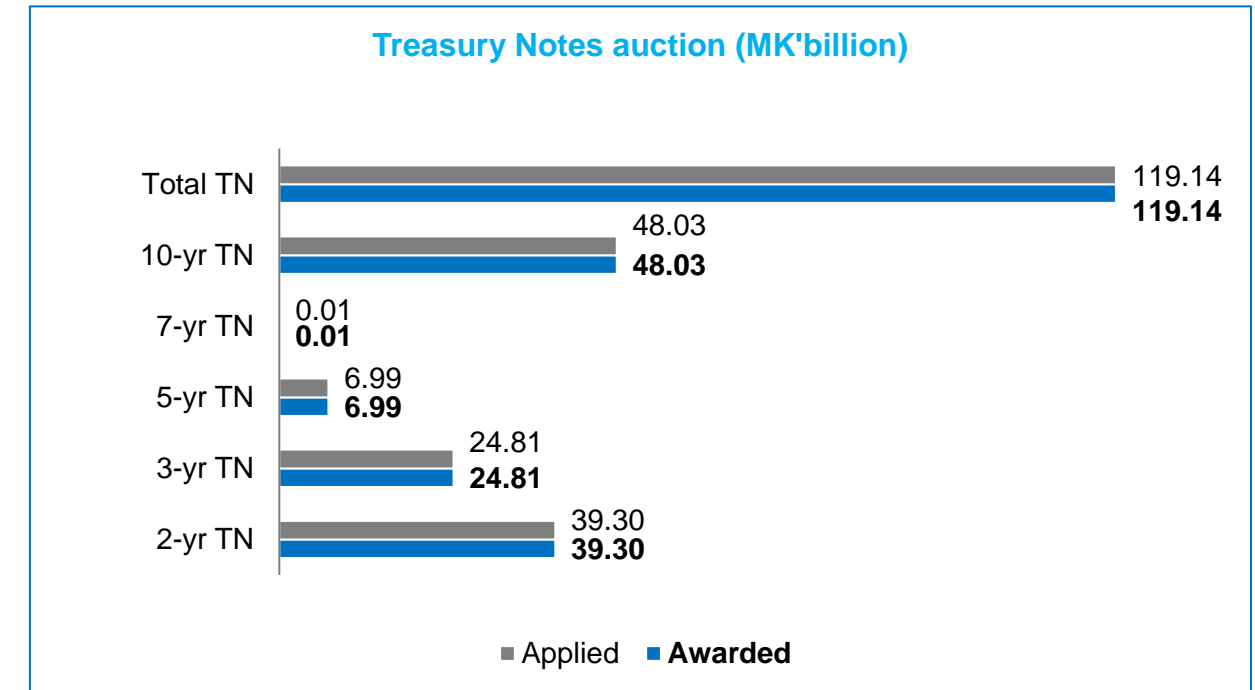
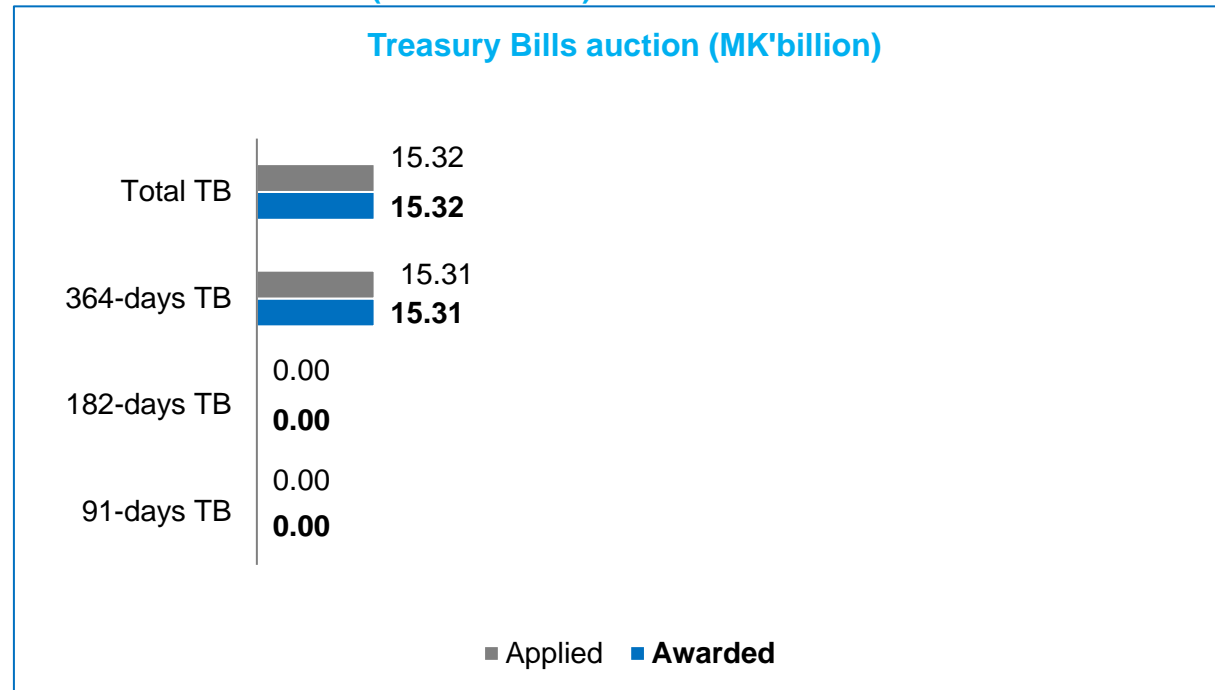
The total amount raised from the TBs was MK15.32 billion, primarily driven by the 364-day tenor.

The total amount raised from the TNs was MK119.13 billion, primarily driven by 10-year, 3-year, and 2-year tenors.

The average TB and TN yields maintained at 20.67% and 31.95% during the period under review.

## Malawi Financial Market Update: Week ending 15 November 2024

### Government securities (Source: RBM)



TB: Treasury Bill  
TN: Treasury Note



## Appendix 1: Historical Economic Indicators

	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	15-Nov-24
<b>Exchange rates (middle rates)</b>														
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	1,749.95	<b>1,734.01*</b>
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	2,338.28	<b>2,262.55*</b>
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	1,953.49	<b>1,881.58*</b>
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	101.15	<b>97.66*</b>
<b>Foreign Exchange Reserves</b>														
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	<b>N/A</b>
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	<b>N/A</b>
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	<b>N/A</b>
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	<b>N/A</b>
<b>Inflation</b>														
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	<b>N/A</b>
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	<b>N/A</b>
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	<b>N/A</b>
<b>Interest Rates</b>														
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%	<b>26.00%</b>
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%	24.20%	<b>23.20%</b>
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%	<b>26.20%</b>
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%	<b>25.50%</b>
<b>Government Securities Yields</b>														
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%	<b>16.00%</b>
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%	<b>20.00%</b>
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%	<b>26.00%</b>
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%	<b>28.75%</b>
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%	<b>30.00%</b>
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%	<b>32.00%</b>
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%	<b>34.00%</b>
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%	<b>35.00%</b>
<b>Year-to-date Return</b>														
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%	<b>37.91%</b>
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%	<b>39.54%</b>
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%	<b>26.59%</b>

\*: Reserve Bank of Malawi opening exchange rates (middle) as of 15 November 2024

**Disclaimer**

Although every effort was made to ensure the information in this report is authentic, the report should only be used for indicative purposes. Bridgepath Capital Limited accepts no responsibility or liability resulting from usage of information from this report. Every recipient using this report should make independent efforts to ascertain the accuracy of the information.

**Contact Information**

Bridgepath Capital Limited  
1<sup>st</sup> Floor (106), Development House  
Corner Henderson Street Road  
P.O. Box 2920  
Blantyre

Tel No: + 265 111 828 355

Email: [info@bridgepathcapitalmw.com](mailto:info@bridgepathcapitalmw.com)

Website: [www.bridgepathcapitalmw.com](http://www.bridgepathcapitalmw.com)

**Our Financial Advisory Solutions**

We provide a range of financial advisory solutions to meet your needs and challenges:



**Valuations**



**Business/Financial Modeling**



**Independent Business Reviews**



**Mergers and Acquisitions Transaction Services**



**Business Plans/feasibility studies/Financial Projections**



**Project Finance Advisory**



**Capital Raising**



**Equity/IPO Advisory**

**Invest.  
Achieve.  
Be Different.**