

MALAWI

Political and economic news

Tobacco association eyes FCTC seat

The Tobacco Association of Malawi (Tama) has expressed hope that it will be accorded a place at the Framework Convention on Tobacco Control (FCTC) which will enhance the strategic existence of the industry and preserve the economic well-being of growers in the country. This follows meeting Tama, under the banner of International Tobacco Growers Association had with the World Health Organisation (WHO), Food and Agriculture Organisation and the World Bank to lobby for a seat at FCTC to enable them advance the cause of tobacco growers at the convention. This comes against a background that the tobacco industry is facing pressure from the UN especially through the anti-smoking lobby championed by WHO at FCTC which is also forcing buyers to reduce their uptake of the crop each year. Tama CEO; Felix Thole said the UN organisations indicated that they will respond to the request for representation at the convention by next month. He further indicated that the World Bank had given Malawi and Zambia an opportunity to pitch for diversification projects for tobacco growers, which, if proven viable, will receive funds from the World Bank. *(Source: Daily Times)*

IMF says 5% inflation target achievable

The IMF has said Malawi could attain five percent inflation target by 2021 if the system maintains prudent economic management. The fund said the economy could even attain disinflation – a temporary slowing down of the pace of price inflation by 2023. IMF resident representative, Jack Ree said food prices remained volatile making it difficult for the country to sustainably grow its economy but remained positive that subject to sustenance of sound macro-economic policies, the country would achieve its economic targets. An IMF mission which was in the country for the ECF review from 25 September said the general economic performance remains on track and the country could do well. Reserve Bank of Malawi forecasts inflation to remain in single digit by the end of 2018 and to converge towards five percent by first quarter of 2021. *(Source: Daily Times)*

Company news

FMB rebrands to First Capital Bank

FMB Bank – a subsidiary of FMBCapital Holdings plc listed on the stock exchange – has changed its name to First Capital Bank. Chairperson of the bank, Hitesh Anadkat said the name change forms part of the launch of a new and cohesive brand identity for FMBCapital Holdings Plc's banking operations in Malawi, Botswana, Zimbabwe and Zambia, with the Mozambique operations set to be rebranded early next year. *(Source: Daily Times)*

Corporate action

Dividends

COMPANY	YEAR	TYPE	AMOUNT	LAST CUM DATE
PCL	2018	Interim	K6.00	19-Oct-18
SUNBIRD	2018	Interim	K0.28	TBA
NITL	2018	Interim	K0.50	19-Oct-18

(Source: Company filings)

Market activity and colour

The market traded 8.8m shares with a market turnover of K1.3bn (\$1.8m) in 43 trades. Comparatively in the previous week, the market traded 6.4m shares with a market turnover of K312.4m (\$425K) in 86 trades. Illovo traded 6m shares at a negotiated price of K165 per share which had no effect on market price. Three counters advanced led by PCL which went up 11.8% to close at K950.00. Demand remains sustained in PCL. Four counters declined with TNM tumbling 14.6% to K24.50 due to low demand in the market.

Week's Trading Summary

October 8 to 12 trade summary

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
BHL	11.30	12.30	↑ 8.8%	181,771	2,174,449.50	6	10,328,933,672
FMBCH	157.98	157.98		0	0.00	0	369,080,775,000
ILLOVO	205.00	204.85	↓ 0.1%	6,206,300*	1,032,261,500.00	3	146,149,083,496
MPICO	19.50	19.50		0	0.00	0	44,811,925,470
NBM	320.00	325.00	↑ 1.5%	159,642	51,874,668.00	3	151,752,814,850
NBS	9.01	9.01		1,645,358	15,039,737.00	4	26,224,265,938
NICO	52.00	51.00	↓ 1.9%	7,720	393,720.00	2	53,195,095,896
NITL	86.00	86.00		150,000	12,900,000.00	1	11,610,000,000
OMU	2,513.25	2,513.25		0	0.00	0	14,647,228,540
PCL	850.00	950.00	↑ 11.8%	242,166	228,307,700.00	9	114,243,029,000
STANDARD	670.01	670.00	↓ 0.0%	500	335,000.00	3	157,227,668,540
SUNBIRD	145.00	145.00		0	0.00	0	37,929,474,100
TNM	28.67	24.50	↓ 14.6%	187,944	4,842,936.75	12	245,991,025,000
				8,781,401	1,348,129,711.25	43	1,383,191,319,501.16

* 6 million Illovo shares traded at a special bargain price of K165.00 per share

(Source: MSE)

Previous week's Trading Summary

01 to 05 October Trading

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
BHL	11.31	11.30	↓ 0.1%	308,859	3,493,195.00	5	9,489,182,967
FMBCH	157.99	157.98	↓ 0.0%	543	85,783.14	1	369,080,775,000
ILLOVO	240.00	205.00	↓ 14.6%	2,000	410,000.00	1	146,256,100,155
MPICO	19.50	19.50		202,786	3,951,924.00	7	44,811,925,470
NBM	311.01	320.00	↑ 2.9%	33,883	10,776,505.00	8	149,418,156,160
NBS	8.95	9.01	↑ 0.7%	3,272,689	29,439,458.36	25	26,224,265,938
NICO	52.00	52.00		0	0.00	0	54,238,136,992
NITL	86.00	86.00		6,216	534,576.00	1	11,610,000,000
OMU	2,513.25	2,513.25		20,765	52,187,640.00	1	14,647,228,540
PCL	850.00	850.00		0	0.00	0	102,217,447,000
STANDARD	670.00	670.01	↑ 0.0%	214,098	143,447,703.81	11	157,230,015,222
SUNBIRD	145.00	145.00		25,907	3,756,422.00	5	37,929,474,100
TNM	29.00	28.67	↓ 1.1%	2,314,850	64,350,462.00	21	287,859,701,500
				6,402,596	312,433,669.31	86	1,411,012,409,042

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