

MALAWI

Political and economic news

K22bn project outcome impresses World Bank

The World Bank has rated Malawi highly in the implementation of the \$30m (K22bn) six-year Agriculture Productivity Programme for Southern Africa (Appsa). The programme involving Malawi, Zambia and Mozambique seeks to increase the development of agricultural technologies for improved crop production for sustainable food security. Under the Appsa programme, each of the three countries got \$30m and in Malawi the money benefits research stations such as Chitedze in Lilongwe, Kasinthula in Chikwawa and Bvumbwe in Thyolo in terms of infrastructure and laboratory crop technology development support. World Bank senior agriculture economist; Blessings Botha said Malawi has made tremendous progress since 2013 as evidenced by the development of several agricultural technologies for increased productivity. *(Source: The Nation)*

Malawi launches a \$25m development bank

President Mutharika launched Malawi Agricultural and Industrial Investment Corporation (MAIIC) on 28 November in Lilongwe. MAIIC is a government initiated but private sector led development finance entity that has been created to bridge the financing gaps in Malawi's finance sector as a vehicle for spearheading private sector development. The institution has been formed in line with the third Malawi Growth and Development Strategy (MGDS III) to create sustainable wealth in key priority areas of agriculture, mining, manufacturing, infrastructure development and SME development. The formation of MAIIC follows feasibility studies which identified financing gaps within the existing traditional financing institutions. The Malawi government has invested \$25m to kick start the project with the expectation to attract private investors to complement its efforts.

Company news

NBM Plc gets a licence for SME development bank

National Bank of Malawi (NBM) Plc has acquired a licence from the Registrar of financial institutions to establish a small and medium enterprises (SME) development bank. Reserve Bank of Malawi governor, who is also the registrar, confirmed this saying the SME bank will give medium to long term loans to SMEs at concessionary terms. NBM head of corporate affairs and strategy; Wilkins Mijiga said NBM acquired Indebank in 2016 in order to turn it into a development bank for SMEs. *(Source: The Daily Times)*

Market activity and colour

The market traded 85.4m shares worth K6bn (\$8.1m) in 98 trades during the week. Major trading activity was recorded in Illovo (33% of total value); PCL (30%) and TNM (27%). This compares to 11.5m shares worth K1.1bn (\$1.4m) in 67 trades in the previous week. The index rose slightly during the week due to price recovery in TNM which countered decreases in MPICO and PCL.

November roundup

Index retreats as bears dominate

FMBCH, Illovo and MPICO led the bears in November to weaken the index 12.5% during the month despite gains in PCL. FMBCH tumbled 49.6% from K139 to K70 during the month as a result of market correction and Zimbabwe economic woes which were exacerbated by fiscal tinkering leading to the country's electronic dollar weakening.

FM BCH acquired Barclays bank of Zimbabwe which initially was the cause of the market euphoria. Market making activity resulted in correction all round as some liquidity availability unlocked value in some counters like PCL while artificial prices came down in others. News of an intended listing of a property company slated for the year-end also had its impact on the market as investors repositioned themselves in anticipation.

November recorded trading activity in all 13 counters with a total of 109.8m shares worth K8.4bn (\$11.4m) in 311 trades. Major traders were PCL (2.9m shares worth K3.3bn); Illovo (10m shares worth K2bn) and TNM (78.5m shares worth K1.9bn). In the previous month of October 2018, 46.4m shares changed hands at a value of K5.8bn in 281 trades. By y/y comparison, November 2017 recorded 14.3m shares worth K763.5 (\$1.1m) in 93 trades. Total market capitalisation at the end of November 2018 was K1.19trn (\$1.6bn) compared to K1.0trn (\$1.4bn) in October 2017. The index has risen from 21,122.43 in the previous year to 26,803.80 by 30 November 2018 – representing a 27% rise y/y.

Week's Trading Summary

Trading Summary 26 to 30 November 2018						
Symbol	Open	Close	Volume	Value	Trades Count	Market Capitalization
BHL	13.00	13.00	10,919	141,947.00	3	10,916,759,165
FM BCH	70.00	70.00	2,072,609	145,082,800.00	12	163,537,500,000
ILLOVO	200.00	200.00	10,020,778	2,004,156,000.00	15	142,688,878,200
MPICO	13.20	12.50	2,906,891	36,364,652.00	6	28,725,593,250
NBM	332.00	332.02	15,383	5,107,457.00	10	155,030,675,651
NBS	10.50	10.50	30,501	320,260.50	4	30,561,020,238
NICO	49.98	49.98	0	0.00	0	52,131,193,978
NITL	86.00	86.00	2,605,257	224,051,900.00	9	11,610,000,000
OMU	2,513.25	2,513.25	69,084	173,625,400.00	4	14,647,228,540
PCL	1,150.00	1,140.00	1,605,580	1,830,861,000.00	2	137,091,634,800
STANDARD	670.00	670.00	1,100	737,000.00	1	157,227,668,540
SUNBIRD	145.00	145.00	0	0.00	0	37,929,474,100
TNM	22.31	24.50	66,116,085	1,619,844,441.00	32	245,991,025,000
Totals			85,454,187	6,040,292,857.50	98	1,188,088,651,462
INDEX (week)	26,370.35	26,803.80	1.6% ↑			
INDEX (month)	30,622.36	26,803.80	-12.5% ↓			
INDEX (year)	21,598.00	26,803.80	24.1% ↑			

(Source: MSE)

Previous Week's Trading Summary

Trading Summary 19 to 23 November 2018						
Symbol	Open	Close	Volume	Value	Trades Count	Market Capitalization
BHL	13.00	13.00	131,000	1,703,000.00	2	10,916,759,165
FM BCH	70.00	70.00	42,500	2,975,000.00	2	163,537,500,000
ILLOVO	200.00	200.00	4,000	798,500.00	3	142,688,878,200
MPICO	13.20	13.20	5,069,937	66,911,522.50	6	30,334,226,472
NBM	332.00	332.00	0	0.00	0	155,021,337,016
NBS	10.50	10.50	2,333,588	24,502,675.00	10	30,561,020,238
NICO	50.97	49.98	103,745	5,185,485.00	6	52,131,193,978
NITL	86.00	86.00	20,000	1,720,000.00	3	11,610,000,000
OMU	2,513.25	2,513.25	71,965	180,866,080.00	9	14,647,228,540
PCL	1,100.00	1,150.00	603,550	694,082,500.00	10	138,294,193,000
STANDARD	670.00	670.00	0	0.00	0	157,227,668,540
SUNBIRD	145.00	145.00	40,000	5,800,000.00	6	37,929,474,100
TNM	25.80	22.31	3,141,135	76,917,519.50	10	224,002,439,500
Totals			11,561,420	1,061,462,282.00	67	1,168,901,918,749
INDEX (week)	26,757.27	26,370.35	-1.4% ↓			
INDEX (month)	30,622.36	26,370.35	-13.9% ↓			
INDEX (year)	21,598.00	26,370.35	22.1% ↑			

Source: MSE



November 2018 Trading Summary

1 to 30 November 2018
Trading Summary

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalizati
BHL	12.58	13.00	3.3% ↑	433,959	5,593,032.00	13	10,916,759,165
FMBOH	138.99	70.00	-49.6% ↓	2,602,083	183,820,688.00	35	163,537,500,000
ILLOVO	204.84	200.00	-2.4% ↓	10,037,778	2,007,554,500.00	21	142,688,878,200
MPICO	19.50	12.50	-35.9% ↓	8,076,828	104,802,220.50	18	28,725,593,250
NBM	332.00	332.02	0.0% ↑	69,920	23,213,741.00	17	155,030,675,651
NBS	10.01	10.50	4.9% ↑	3,700,169	38,453,715.18	30	30,561,020,238
NICO	50.99	49.98	-2.0% ↓	113,745	5,695,185.00	7	52,131,193,978
NITL	85.99	86.00	0.0% ↑	3,022,290	259,916,740.00	16	11,610,000,000
OMU	2,513.25	2,513.25		224,637	564,569,034.75	26	14,647,228,540
PCL	1,050.00	1,140.00	8.6% ↑	2,909,312	3,297,643,680.00	21	137,091,634,800
STANDARD	670.00	670.00		1,961	1,313,870.00	2	157,227,668,540
SUNBIRD	145.00	145.00		70,000	10,150,000.00	7	37,929,474,100
TNM	24.51	24.50	0.0% ↓	78,541,079	1,926,956,443.00	98	245,991,025,000
Totals				109,803,761	8,429,682,849.43	311	1,188,088,651,462
INDEX (month)	30,622.36	26,803.80	-12.5% ↓				
INDEX (year to date)	21,598.00	26,803.80	24.1% ↑				
INDEX (from Nov 17)	21,122.43	26,803.80	26.9% ↑				

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