

Market Statistics Report



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MALAWI

MARKET PERFORMANCE REPORT FOR THE PERIOD 2 NOVEMBER TO 13 NOVEMBER 2020

Symbol	BUY	SELL	Open	Close	%	Volume	Value	Trades	Market Capitalization	Earnings K'million	P/E	P/B	
AIRTEL	0.00	28.00	28.95	28.00	-3.3% ↓	147,026	4,116,728.00	8	308,000,000,000	25,307.00	##	12.17	11.34
BHL	0.00	12.94	12.94	12.94	0.0%	0	0.00	0	10,866,374,123	466.70		23.28	1.67
FDHB	0.00	12.00	12.00	12.00	0.0%	246,500	2,957,500.00	11	82,812,375,000	7,904.84	##	10.48	3.57
FMBCH	22.01	0.00	22.01	22.01	0.0%	2,018,970	44,437,640.00	10	54,106,082,500	(606.93)	##		0.96
ICON	10.50	12.30	12.30	12.30	0.0%	407,183	5,008,351.00	8	82,164,000,000	6,991.35	##	11.75	1.08
ILLOVO	68.50	0.00	80.50	80.50	0.0%	1,041	83,800.50	1	57,432,273.476	4,009.00	##	14.33	0.38
MPIICO	0.00	23.00	23.93	22.99	-3.9% ↓	6,863	157,780.37	1	52,832,111,105	4,545.92	##	11.62	1.29
NBM	0.00	617.69	617.70	617.69	0.0% ↓	20,520	12,675,034.00	17	288,419,065,245	17,056.00	##	16.91	2.60
NBS	0.00	20.95	20.95	20.95	0.0%	446,907	9,372,255.31	21	60,976,511,808	5,896.48	##	10.34	3.36
NICO	44.20	52.00	52.00	52.00	0.0%	363,983	18,927,114.00	8	54,238,136,992	8,745.00	##	6.20	1.54
NITL	80.75	94.97	94.97	94.97	0.0%	0	0.00	0	12,820,950,000	1,471.47	##	8.71	1.07
OMU	0.00	2,199.98	2,199.98	2,199.98	0.0%	0	0.00	0	33,796,589,955	1,313.71		25.73	3.10
PCL	0.00	1,142.39	1,343.99	1,343.99	0.0%	1,202,270	1,615,839,000.00	1	161,622,619,522	8,841.00	##	18.28	1.01
STANDARD	851.00	0.00	851.00	850.78	0.0% ↓	5,440	4,628,266.00	2	199,650,978,866	20,418.00	##	9.78	1.95
SUNBIRD	0.00	102.00	105.00	105.00	0.0%	0	0.00	0	27,466,170,900	60.91	##	450.95	1.25
TNM	0.00	19.40	19.98	19.46	-2.6% ↓	316,753	6,176,599.46	20	195,387,157,000	13,141.00	##	14.87	4.06
Period totals						5,183,456	1,724,380,068.64	108	1,682,591,396,492.66	MARKET AVERAGE	43.03	2.51	
b/l totals						1,460,791,978	34,030,118,054.59	2,660	1,700,478,891,418.08				
Year to date totals						1,465,975,434	35,754,498,123.23	2,768	1,682,591,396,492.66				
USD						47,150,848.86	2,273,772,157.42						

MSE ALL SHARE INDEX

	Opening	Closing	%
Period change	31303.78	30967.59	-1.1% ↓
Year to date 13-Nov-20	30252.20	30967.59	2.4% ↑
Prior year comparison 30-Oct-19	30019.13	30967.59	3.2% ↑

INFLATION FIGURES	
Sep-20	7.1
Aug-20	7.6
Jul-20	8.0
Jan-20	11.1
Jun-19	9.0

EXCHANGE RATES MWK EQUIV TO ONE UNIT OF FX

	13-Nov-20	30-Oct-20	31-Dec-19	13-Nov-19
USD	758.30	755.33	738.87	734.99
ZAR	48.46	46.03	52.43	49.74
GBP	995.19	974.45	969.19	944.31

INTEREST RATES

	Nov-20	Oct-20	Jan-20	Nov-19	
Policy rate	13.50	13.50	13.50	13.50	The guideline RBM rate. Lombard rate being 20 bps above the policy rate
Base lending rate	13.60	13.60	13.10	12.30	Also known as reference rate. The min lending rate for commercial banks
TB rate 91 dy	9.95	9.95	6.20	6.13	mthly averages
TB rate 182 dy	12.95	12.87	8.73	7.33	
TB rate 364-dy	13.75	13.88	10.67	9.15	

% CHANGE IN RATES

	2-Week	YTD	Y/Y
USD	-0.39%	-2.63%	-3.17%
ZAR	-5.29%	7.57%	2.57%
GBP	-2.13%	-2.68%	-5.39%

Foot note to company earnings

We have used half-year results to compute 12-mth trailing earnings.

Our analysis is on the next page

COMMENTARY ON THE TWO-WEEK MARKET PERFORMANCE REPORT 13 NOVEMBER

The Malawi All Share Index retreated 1.1% during the fortnight as a result of falling prices in AIRTEL, MPICO and TNM as market correction sets in. AIRTEL softened 3.3% to K28.00 on small volumes as the market exuberance in the counter petered out. AIRTEL listed during the year and saw its price rise over 128% to K29 over an eight-month period. TNM has been on the decline since the listing of its competitor as earnings weakened. This has been compounded by the sudden departure of the company's CEO; Michiel Buitelaar who is said to have resigned nine months into his contract. There were no risers during the period under review.

Generally the market seems to have entered the passive phase after over-heating in which investors wait for earnings news and only pick up bargains as they come.

The market traded 5.2m shares worth K1.7bn (\$2.2m) in 108 trades during the period. This compares to record value and volumes of K12.7bn (\$16.8m) and 644.7m shares; respectively – completed in the previous fortnight ending 30 October 2020 in 137 transactions. The previous period's performance is an aberration as big blocks in TNM and FMBCH were swapped between related parties.

The MWK continues to retreat against its major trading currencies – a reflection of the times as demand for foreign currency outstrips supply. The country is passing through a lean period in terms of forex availability as the selling season for tobacco – the main forex earner – runs between April and August. The country's development partners are not rushing back either with their aid as they have their own challenges with the pandemic and take time to assess the new players in the political arena.

Gross official reserves under the direct control of the Reserve Bank of Malawi were reported at \$635.05m as at 30 October representing 3 months import cover. On the other hand, private sector forex reserves were \$340,22m or 1.63 months of import cover – making an overall import cover of 4.67 months.

TNM's CEO quits

TNM CEO; Michiel Buitelaar resigned after only nine months in the position. In a statement issued by the company, it said he left the role following a mutual agreement between the parties. Current CFO; Arnold M'bwana has been appointed acting CEO until a suitable replacement is identified.

Covid 19 Malawi update

As of 16 November, Malawi had registered 5,971 cases (from 5,934 on 4 November) of Covid-19 infections since the first three cases were registered on 2 April 2020 with 185 deaths (184 on 4 November). Number of tests has reached 68,885 a rise of 8.2% from 63,664 tests as of 4 November.

Previous period comparisons (vs 4 November)

In the period to 4 November; the number of tests had gone up 10.4% to 63,664 while tests in the current period ending 16 November have increased by 8.2% to 68,885. The number of infections has gone up 62 bps to 5,971 compared to an increase of 1.4% to 5,934 in the previous period. There were three additional lives lost in the previous period compared to one in the current one. The number of recovered cases as at 16 November is 5,402 from confirmed cases of 5,971 –representing 90.5% of recorded cases. By comparison, the number of patients that recovered from the pandemic in the previous period was 5,336 out of 5,934 cases representing 89.9% of recorded cases.

From an increase of 8.2% in number of tests, the number of confirmed cases has only gone up 60bps. The curve is trending downwards in terms of infections and the death rate has slowed down for the past one and half months. The number of recovered cases as a percentage of confirmed infections is also improving. The statistics seem to point to improvement in the overall Covid-19 environment and it is remarkable considering there has never been a full lock down.



The peak of infections was a result of imported cases and we will continue to watch the situation as the government contemplates opening the borders to travellers by road; including passengers on buses.

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