

MALAWI

Political and economic news

Road Fund plans to roll out toll gates

The Roads Fund Administration (RFA) says it plans to roll out toll gates on the country's roads in 2019/20 fiscal year. RFA procurement and public relations officer Masauko Mngwaluko said the possibility of having toll gates to collect revenue from road users is real. He said the findings of the initial feasibility study on the structure of the project revealed that tolling using a Public Private Partnership arrangement would not be economical. However, the government has adopted an approach where tolling will be done through the RFA; being the government agency mandated to collect road levies. He further indicated that the first toll gate will be constructed on the Zalewa-Chingeni road which is the site identified for a pilot project once the necessary approvals are obtained. The Malawi government engaged an Australian consulting firm; Smec Holdings in 2016 to conduct a feasibility study on introducing toll gates on major tarmac roads as one way of raising funds for public roads maintenance, rehabilitation and repairs. The study found that traffic volumes were lower than 3,000 vehicles per day – which is the recommended level for the project to be feasible – hence the plans were shelved. However, government projects traffic volumes to rise as there is a growing number of motor vehicles being imported into the country. *(Source: The Nation)*

Norway, partners to fund \$24m orthopaedic clinic

Lilongwe Institute of Orthopedics and Neurosurgery Clinic will be constructed at Kamuzu Central Hospital and is expected to provide free specialised orthopaedics-related support. The project has been funded by a number of partners including a Norwegian philanthropist Trond Mohn who contributed \$4m, Alliance Foundation, Auckland University Hospital and the Norwegian government. Scheduled to be completed in two years, the clinic will be particularly useful for accident victims, most of whom suffer from various injuries requiring specialised assistance such as hip replacement. *(Source: The Nation)*

Tobacco demand could plummet

Demand for tobacco could decrease in the forthcoming 2018/19 season as the country had excess supply which will be carried over to the next season. Earlier this year the Tobacco Control Commission (TCC) announced that the country had produced 147.8m kg of tobacco against demand of 171m kg. However at the close of the selling season, the commission reported that 202m kg of all types of tobacco was sold on the market realising \$337m. It is believed that about 20m kg bought during this year's tobacco selling season will be carried over by the industry as part of next seasons volume – meaning the buying companies will require less tobacco. However the TCC has expressed ignorance on the matter of demand reduction and indicated that they will give an update once an exercise to consolidate demand figures against the projected production is completed. *(Source: The Daily Times)*

Corporate action

Dividends

COMPANY	YEAR	TYPE	AMOUNT	LAST CUM DATE
SUNBIRD	2018	Interim	K0.50	16-Nov-18

(Source: Company filings)

Market activity and colour

The market traded 3.9m shares with a market turnover of K830m (\$1.1m) in 81 trades. PCL traded the most value at K712.4m. The bears continued to bring the index down led by FMBCH (which lost 30.7% to K70.00 and has overall lost 56.2% from a high of K160.00 just over a month ago), MPICO, Illovo and PCL retreated as well. The index shed 12.3% on month-to-date – continuing the declining trend from the previous month.. Comparatively in the previous week, the market traded 3.5m shares with a market turnover of K376m (\$511K) in 50 trades.

Week's Trading Summary

Trading summary 12 to 16 November 2018							
Symbol	Open	Close	Volume		Value	Trades Count	Market Capitaliza
BHL	12.99	13.00	46,100	0.1%	599,300.00	3	10,916,759,165
FMBCH	101.00	70.00	446,974	-30.7% ↓	31,705,388.00	19	163,537,500,000
ILLOVO	204.84	200.00	13,000	-2.4% ↓	2,600,000.00	3	142,688,878,200
MPICO	15.50	13.20	39,655	-14.8% ↓	523,446.00	4	30,334,226,472
NBM	332.00	332.00	53,537		17,774,284.00	6	155,021,337,016
NBS	10.01	10.50	556,112	4.9%	5,823,300.00	9	30,561,020,238
NICO	50.97	50.97	0		0.00	0	53,163,804,663
NITL	86.00	86.00	0		0.00	0	11,610,000,000
OMU	2,513.25	2,513.25	0		0.00	0	14,647,228,540
PCL	1,149.01	1,100.00	647,657	-4.3% ↓	712,446,450.00	5	132,281,402,000
STANDARD	670.00	670.00	0		0.00	0	157,227,668,540
SUNBIRD	145.00	145.00	30,000		4,350,000.00	1	37,929,474,100
TNM	24.50	25.80	2,115,515	5.3%	54,293,122.50	31	259,043,610,000
Totals			3,948,550		830,115,290.50	81	1,198,962,908,934
INDEX (week)	28,668.33	26,757.27		-6.7% ↓			
INDEX (month)	30,622.36	26,757.27		-12.6% ↓			
INDEX (year)	21,598.00	26,757.27		23.9% ↑			

(Source: MSE)

Previous week's Trading Summary

Trading Summary 5 to 9 November 2018							
Symbol	Open	Close	Volume		Value	Trades Count	Market Capitalizat
BHL	12.58	12.99	245,940	3.3% ↑	3,148,785.00	5	10,908,361,658
FMBCH	138.99	101.00	40,000	-27.3% ↓	4,057,500.00	2	235,961,250,000
ILLOVO	204.84	204.84	0		0.00	0	146,141,949,052
MPICO	19.50	15.50	60,345	-20.5% ↓	1,002,600.00	2	35,619,735,630
NBM	332.00	332.00	1,000		332,000.00	1	155,021,337,016
NBS	10.01	10.01	89,968		900,579.68	3	29,134,839,294
NICO	50.99	50.97	10,000	0.0% ↓	509,700.00	1	53,163,804,663
NITL	85.99	86.00	397,033	0.0% ↑	34,144,840.00	4	11,610,000,000
OMU	2,513.25	2,513.25	83,588		210,077,554.75	13	14,647,228,540
PCL	1,050.00	1,149.01	52,525	9.4% ↑	60,253,730.00	4	138,175,139,738
STANDARD	670.00	670.00	0		0.00	0	157,227,668,540
SUNBIRD	145.00	145.00	0		0.00	0	37,929,474,100
TNM	24.50	24.50	2,513,988		61,592,710.00	15	245,991,025,000
Totals			3,494,387		376,019,999.43	50	1,271,531,813,231
INDEX (week)	30,620.09	28,668.33		-6.4% ↓			
INDEX (month)	30,622.36	28,668.33		-6.4% ↓			
INDEX (year)	21,598.00	28,668.33		32.7% ↑			

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