

## MALAWI

### Political and economic news

*IMF revises Malawi's 2019 growth to 5pc*

The IMF has revised upwards Malawi's GDP growth for 2019 predicting that the country's economy would grow by 5pc owing to an expected bumper crop yield and improvement in electricity supply. IMF Mission Chief Pritha Mitra made the remarks in Lilongwe at the end of the second review of the three-year Extended Credit Facility support programme. This revision follows IMF's earlier prediction of growth at 4.1pc. Mitra said in the medium term, growth could rise further to 6-7pc driven by infrastructure projects including electricity generation, crop diversification, greater access to finance and an improved business climate. She said inflation was expected to ease to 8pc at the end of 2019 and gradually converge to 5pc over the medium term. In a separate interview, minister of finance Goodall Gondwe was even more bullish pegging the growth prospects at 9pc revising from the government's earlier estimate of 7pc. *(Source: Daily Times)*

*Disaster relief estimated at K12bn, road infrastructure at K4.6bn*

Malawi needs about K12bn (\$16.2m) to assist people affected by floods in 17 districts which the president specified in his declaration of a state of national disaster. Director of disaster response and recovery at the department of disaster management affairs (Dodma); Harris Kachale said the situation in the affected districts is dire indicating that over 184,000 households were in need of supplies such as shelter, medicine, beddings and utensils. According to its recent update, Dodma indicated that 56 people had died in the disaster that resulted from flooding in southern and central regions. Since the disaster struck two weeks ago, development partners such as Unicef and other well-wishers have started providing aid for the affected families. The US embassy said it sourced \$200K from USAID's office of foreign disaster assistance. In a related development, the Roads Authority (RA) has said they need about K4.6bn (\$6.2m) to repair main roads and bridges that have been damaged by the floods. RA's spokesperson said the assessment on rural roads has not been completed yet. *(Source: Nation and Daily Times)*

### Company news

#### Trading statements update

##### Increase in earnings

- NBS bank expects its FY18 earnings to be at least 13pc better than its loss of K1.1bn reported in FY17. This puts its expected earnings at a minimum of K1.4bn and forward PE of 20.5x.
- MPICO earnings expected to be at least 30pc higher than FY17. This puts its estimated FY18 earnings around K6.6bn
- TNM earnings to be at least 25pc higher than FY17 – earnings to be around K16.3bn with a forward PE of 15.4x at current levels.

##### Decrease in earnings

- NITL expects its FY18 to be 25pc lower than FY17 – thus earnings are expected at K1.6bn mainly due to a reduction in share value gains.
- BHL expects its FY18 earnings to 30 September 2018 to be 30pc lower than FY2017. This puts its earnings around K358m and forward PE of 30.4x

## Corporate action

### Dividends

COMPANY	YEAR	TYPE	AMOUNT	LAST CUM DATE
NBM	2018	2 <sup>nd</sup> interim	MWK 3.21	8-Mar-19

(Source: Company filings)

## Market activity and colour

A drop of 14.9pc in Standard Bank to K570 on only 600 shares took the market down in a week of subdued trading activity. The index dropped 1.8pc w/w and 5.3pc ytd to close at 27,451.38.

The market traded 6.8m shares worth K706.9m (\$955K) in 73 trades. This compares to 173.1m shares worth K2.6bn (\$3.6m) in 54 trades during the previous week.

### Trading Summary for the week

Trading Summary for  
11 to 15 March 2019

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
BHL	12.98	12.97	-0.1% ↓	100	1,297.00	1	10,891,566,644
FMBCH	85.00	85.00		516,452	43,898,425.00	14	208,951,250,000
ICON	11.94	11.95	0.1% ↑	13,967	166,905.65	3	79,826,000,000
ILLOVO	200.00	200.00		0	0.00	0	142,688,878,200
MPICO	13.04	13.06	0.2% ↑	345,692	4,513,660.00	10	30,012,499,828
NBM	315.01	315.01		11,100	3,496,611.00	2	147,088,166,787
NBS	9.99	9.99		325,216	3,248,907.84	9	29,076,627,826
NICO	41.99	41.99		142,093	5,965,485.00	4	43,797,295,621
NITL	75.00	74.99	0.0% ↓	80,000	5,999,200.00	1	10,123,650,000
OMU	2,513.23	2,513.23		0	0.00	0	14,647,111,980
PCL	1,200.00	1,200.00		420,634	504,760,800.00	3	144,306,984,000
STANDARD	670.00	570.00	-14.9% ↓	600	352,000.00	2	133,760,852,340
SUNBIRD	138.00	138.00		90,100	12,433,800.00	2	36,098,396,040
TNM	25.01	25.05	0.2% ↑	4,873,675	122,063,628.62	22	251,513,272,500
<b>Totals</b>				<b>6,819,629</b>	<b>706,900,720.11</b>	<b>73</b>	<b>1,282,782,551,766</b>

<b>INDEX (week)</b>	<b>27,946.78</b>	<b>27,451.38</b>	<b>-1.8%</b> ↓
<b>INDEX (month)</b>	<b>27,687.33</b>	<b>27,451.38</b>	<b>-0.9%</b> ↓
<b>INDEX (year)</b>	<b>28,983.64</b>	<b>27,451.38</b>	<b>-5.3%</b> ↓

(Source: MSE)



## Trading Summary for the previous week

Trading Summary for  
4 to 8 March 2019

Symbol	Open	Close	Volume	Value	Trades Count	Market Capitalization	
BHL	12.98	12.98	5,000	64,900.00	1	10,899,964,151	
FMBCH	85.00	85.00	572	48,620.00	1	208,951,250,000	
ICON	11.94	11.94	0	0.00	0	79,759,200,000	
ILLOVO	200.00	200.00	1,997	399,400.00	1	142,688,878,200	
MPICO	13.04	13.04	0	0.00	0	29,966,538,878	
NBM	315.01	315.01	4,100	1,291,541.00	3	147,088,166,787	
NBS	9.99	9.99	152,857,869	1,528,577,834.14	11	29,076,627,826	
NICO	41.99	41.99	15,002,331	540,097,878.69	3	43,797,295,621	
NITL	75.00	75.00	0	0.00	0	10,125,000,000	
OMU	2,513.23	2,513.23	161,257	405,275,900.00	2	14,647,111,980	
PCL	1,100.00	1,200.00	9.1% ↑	81	97,200.00	1	144,306,984,000
STANDARD	670.00	670.00	0	0.00	0	157,227,668,540	
SUNBIRD	138.00	138.00	523,150	72,194,700.00	3	36,098,396,040	
TNM	25.01	25.01	4,554,910	113,914,950.00	28	251,111,654,500	
<b>Totals</b>			<b>173,111,267</b>	<b>2,661,962,923.83</b>	<b>54</b>	<b>1,305,744,736,524</b>	
<b>INDEX (week)</b>	<b>27,687.33</b>	<b>27,946.78</b>	<b>0.9% ↑</b>				
<b>INDEX (month)</b>	<b>27,687.33</b>	<b>27,946.78</b>	<b>0.9% ↑</b>				
<b>INDEX (year)</b>	<b>28,983.64</b>	<b>27,946.78</b>	<b>-3.6% ↓</b>				

(Source: MSE)

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