

MALAWI

Political and economic news

Treasury closes Q3 with K192bn deficit

Reserve Bank of Malawi (RBM) figures show that Treasury closed the third quarter (October to December) of the 2022/23 financial year with a MWK 192.1bn deficit. In its December 2022 Monthly Economic Review, RBM data shows that in December, Treasury recorded a deficit of MWK 72.9bn, which was an improvement from a deficit of MWK 72.9bn, which was an improvement from a deficit of MWK 104.4bn recorded in November. In October, Treasury recorded a deficit of MWK 13.8bn. Reads the RBM report in part: Resource mobilisation in the month under review increased by 37.8% or MWK 54.6bn to MWK 199bn from MWK 144.4bn collected in November 2022. *(Source: The Nation)*

Firms, Roads fund sign MWK 34.5bn deal

Two Malawi Stock Exchange-listed firms, Standard Bank and Old Mutual and asset management firm Continental Asset Management have signed a MWK 34.5bn infrastructure financing agreement with the Roads Fund Administration (RFA) for the construction of six-lane Kenyatta Drive and Mzimba Street. The agreement binds RFA as project implementer and Standard Bank plc as the lead financier and joint arranger. Old Mutual comes in as co-financier and joint arranger while Continental Asset Management plays a co-financier role. Finance Minister has since hailed the bank for leading the private sector in facilitating economic transformation through financing of Malawi's transport infrastructure. *(Source: Times Business)*

MRA rakes in MWK 553bn within four months

The Malawi Revenue Authority (MRA) said it collected MWK 553.58bn within a four-month period from October 2022, beating its cumulative target by MWK6.52bn. Figures which MRA Commissioner General presented to journalists show that the revenue collection body had a target of MWK 547.06bn for the period under review. However, in the third quarter of the 2022-23 financial year (between October and December), MRA missed its revenue collection target by MWK 4.73bn as it collected MWK 396.63bn. This was against a MWK 396.63bn target. In January 2023 alone, the revenue collection body beat its target by about MWK 16bn, having collected MWK 161.6bn from a target of MWK 145bn. *(Source: Times Business)*

AfDB USD 12m project creates 15,000 jobs

The African Development Fund states that it has created 14,933 jobs between 2017 and 2022 through business incubation, formal training and youth internship under the USD 12.18m (about MWK 12.6bn) Jobs for Youth project. The African Development Fund, the concessional lending arm of the African Development Bank (AfDB) Group, had provided a loan of USD 10.45m (about MWK 10.8bn) to Malawi for the project's implementation. The objective was to improve the employability of the country's youths by providing them with decent work, thereby promoting their economic empowerment. It also aimed to help them develop sustainable entrepreneurship. *(Source: The Nation)*

Market activity and colour

Market commentary

The market traded 5.4m shares in 165 trades recording a market turnover of MWK 1.5bn during the week ended. FDHB (+0.1%), NBM (+3.2%), NICO (+6.7%), STD, OMU (+5.0%), ILLOVO and AIRTEL (+0.1%) were the market gainers whilst NBS (-0.1%), ICON (-0.1%) and PCL dropped in price. The price gains registered in the counters mentioned pushed MASI up with 0.8%.

However, year-to-date index went up to 12.9%. As a result, the market capitalisation rose 12.92% in both MWK and USD terms.

Weekly Market Report



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SYMBOL SUMMARY



Trading Summary for the week ending 17 February 2023

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
AIRTEL	58.07	58.12	0.1% ↑	136,867	7,951,733.98	14	639,320,000,000
BHL	10.96	10.96	0.0%	0	0.00	0	9,203,667,727
FDHB	35.02	35.04	0.1% ↑	837,838	29,348,231.00	37	241,812,135,000
FMBCH	167.00	167.00	0.0%	46,794	7,814,598.00	7	410,527,750,000
ICON	11.92	11.91	-0.1% ↓	200,000	2,382,468.00	6	79,558,800,000
ILLOVO	600.02	600.04	0.0% ↑	3,582	2,149,313.28	7	428,095,172,376
MPICO	20.59	20.59	0.0%	0	0.00	0	47,316,797,201
NBM	1,550.04	1,600.01	3.2% ↑	17,706	28,282,375.00	14	747,095,450,117
NBS	38.48	38.44	-0.1% ↓	3,013,681	115,915,540.00	34	111,882,439,805
NICO	75.00	80.00	6.7% ↑	1,200	96,000.00	1	83,443,287,680
NITL	164.00	164.00	0.0%	133,512	21,895,964.00	17	22,140,000,000
OMU	838.01	880.00	5.0% ↑	199,861	175,877,840.00	6	13,404,502,320
PCL	2,181.35	2,181.34	0.0% ↓	509,935	1,096,376,389.93	4	262,318,830,399
STANDARD	2,200.00	2,200.01	0.0% ↑	6,184	13,604,860.00	5	516,272,303,082
SUNBIRD	105.00	105.00	0.0%	0	0.00	0	27,466,170,900
TNM	14.01	14.01	0.0%	350,656	4,912,691.06	13	140,666,704,500
Totals				5,457,816	1,506,608,004.25	165	3,780,524,011,106

				17-Feb-23	10-Feb-23	31-Dec-22
INDEX (week)	69,470.88	70,017.92	0.8% ↑	MWK/USD	1026.43	1026.43
INDEX (month)	68,451.77	70,017.92	2.3% ↑	MWK/GBP	1262.75	1273.64
INDEX (year to date)	62,036.05	70,017.92	12.9% ↑	MWK/ZAR	57.99	59.44

Market cap (MWK'm)	3,780,524.01	3,348,012.68
Market cap (USD'm)	3683.177626	3261.787967

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