

MALAWI

Political and economic news

NBS posts MWK 32.65bn profit H1

Malawi Stock Exchange-listed NBS Bank has recorded a consolidated profit after tax of K32.65bn, representing a 169% increase compared to K12.16bn reported during the same period in 2023. According to the latest half-year financial performance statement released by the bank and signed by its board chairperson, the remarkable performance was driven by a 55% growth in customer deposits, which were invested in loans and advances and money market instruments, resulting in higher interest. This represents a y/y increase of 169%. Total comprehensive income amounted to K32.32bn, 165% above the MWK12.20bn reported in the half-year ended June 30, 2023. Total operating income grew by 112% y/y on the back of an increase in net interest of 109% and non-interest income of 122% income than the income reported in a similar period of 2023, the statement reads. NBS Chief Executive Officer mentioned that the bank's total assets increased by K315bn over the six-month period ended 30 June 2024 to close at K973bn, representing an increase of 48%. Customer deposits and deposits from other financial institutions were the primary drivers of the jump in total assets, he said. He added that, looking ahead, the bank expects continued growth of the balance sheet among other factors, following the continued raising of cheap United States Dollar funding for food and agriculture and drawdowns on related approved facilities. *(Source: Business Times)*

Malawi to pilot e-certificates, electronic single window

Malawi is expected to pilot the national electronic single window and electronic certificate of origin by the end of this year to boost the country's trade facilitation. Ministry of Trade and Industry Principal Secretary said this at a media workshop to raise awareness of the Common Market for Eastern and Southern Africa (Comesa)/European Development Fund (EDF) Trade Facilitation Programmes at Mchinji-Mwami One-Stop Border Post. The project is scheduled to become operational by November this year as part of the EDF's broader project to improve trade facilitation in the Comesa bloc. She said: "The electronic certificate of origin will improve efficiency. First, it will improve access because traders will not have to travel to Malawi Revenue Authority [MRA] offices to have the form processed. "It will also help us reduce fraud and improve our record management because electronic files are easier to store." The electronic certificate of origin is also expected to reduce operational inefficiencies caused by bureaucracies. It is a vital component of the Comesa digital Free Trade Area Action Plan, which includes e-trade, e-logistics, and e-legislation. The development and implementation of the Comesa electronic certificate of origin fall the under e-logistics component aimed at facilitating intra-regional trade. She further said the electronic certificate of origin is an important aspect of the National Electronic Single Window designed to promote trade between Comesa members. She said the window will reduce the time one takes to file documents, certificates and licences when importing or exporting. *(Source: The Nation)*

Hope for 358mw power project

Ministry of Energy says the Mpatamanga Hydro Power Project (MHPP) remains viable because its environmental and social impact assessment (Esia) provides mitigation plans to reduce the effects of the project on the environment. A joint statement by Mpatamanga Hydro Power Limited (MHPL) and the Malawi Government says the two stakeholders are optimistic on the 358.5 megawatts (MW) power plant on a build, own, operate and transfer (Boot) basis under a public private partnership (PPP) framework. Among others, the Esia report indicates that the power station could have some impact in all the three phases of early works, construction and operations that include soil erosion, community health and safety and climate change and cultural heritage. Reads part of the report: "The Esia identified a considerable number of potential impacts, including potential increase in noise, dust, vibration and emissions, soil erosion, waste generation, project induced in-migration, occupational health and safety and public safety impacts, water pollution, biodiversity impacts loss of land and access to land and cultural heritage impacts." Meanwhile, according to the joint statement which highlighted the mitigation plans to reduce or prevent, September 27 is the deadline for receiving feedback from the public on Esia report. Reads the report: "As part of the environmental and social impact assessment process, an environmental and social management and monitoring plan has been prepared and will be implemented by the project. "The plan summarises the proposed mitigation measures for the identified environmental and social risks and impacts including the nature of the anticipated impacts, timeframe, budget, and the roles and responsibilities of those that will be involved in addressing them." In an interview, project coordinator in the Ministry of Energy said in the ministry's view, the project remains viable because it has mitigation plans on the potential impacts highlighted in the report. (Source: *The Nation*)

Market activity and colour

Market commentary

The market traded 44m shares in 559 trades recording a market turnover of MWK 6.7bn during the week ended. BHL (+3.4%), FMBCH (+0.1%), ILLOVO, OMU, STANDARD, SUNBIRD and TNM (+2.6%) were the market gainers whilst AIRTEL (-0.1%), FDHB (-0.2%), ICON (-0.3%), MPICO (-0.1%), NBM, NBS and NITL dropped in prices. The price gains on the counters mentioned pushed MASI up.

However, the index recorded a 29.3% rise on year-to-date and 1.5% on index per month.

Weekly Market Report



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SYMBOL SUMMARY



Trading Summary for the week ending
20 September 2024

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
ARTEL	44.94	44.91	-0.1% ↓	10,041,471	450,966,577.00	32	494,010,000,000
BHL	13.05	13.50	3.4% ↑	30,000	405,000.00	9	11,336,634,518
FDHB	149.68	149.45	-0.2% ↓	5,156,505	770,968,530.00	99	1,031,359,120,313
FMBCH	398.47	398.68	0.1% ↑	1,011,581	403,146,933.08	30	980,055,110,000
ICON	14.95	14.91	-0.3% ↓	84,585	1,263,191.00	12	99,598,800,000
ILLOVO	1,355.12	1,355.10	0.0% ↑	306,019	398,423,217.90	22	966,788,494,244
MPICO	14.93	14.92	-0.1% ↓	37,048	552,966.04	14	34,286,868,103
NBM	3,449.98	3,449.97	0.0% ↓	50,722	174,989,810.00	62	1,610,900,488,148
NBS	149.66	149.61	0.0% ↓	19,185,086	2,870,863,460.00	107	435,450,879,791
NICO	198.70	198.70	0.0%	3,986,797	792,175,480.00	73	207,252,265,775
NITL	411.16	411.10	0.0% ↓	52,135	21,433,048.00	26	55,498,500,000
OMU	1,866.00	1,866.01	0.0% ↑	5,178	9,662,157.00	13	22,427,322,279
PCL	2,499.86	2,499.85	0.0%	295,024	737,515,759.50	15	300,621,511,627
STANDARD	5,335.01	5,335.03	0.0% ↑	629	3,355,732.90	3	1,251,961,684,315
SUNBIRD	225.03	225.05	0.0% ↑	11,000	2,475,540.00	8	58,869,159,629
TNM	18.01	18.47	2.6% ↑	3,865,367	71,254,350.97	34	185,447,111,500
Totals				44,119,147	6,709,451,753.39	559	7,745,863,950,241

					20-Sep-24	13-Sep-24	31-Dec-23
INDEX (week)	143,372.79	143,430.94	0.0% ↑	MWK/USD	1734.01	1734.01	1683.37
INDEX (month)	141,275.06	143,430.94	1.5% ↑	MWK/GBP	2378.99	2347.20	2212.41
INDEX (year to date)	110,951.21	143,430.94	29.3% ↑	MWK/ZAR	102.07	100.73	93.54

Market cap (MWK'm)	7,745,863.95	3,348,012.68
Market cap (USD'm)	4467.019169	1988.879473

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