

## MALAWI

### Political and economic news

#### Good tidings of telecom firms on MSE

The telecommunications sector has regained strong performance on the Malawi Stock Exchange (MSE) with both Airtel Malawi plc and TNM plc shares surging 34 percent and six percent, respectively so far. Market data show that telecom players whose shares dipped in January from K90 to K84 and from K24 to K19.98 for Airtel and TNM respectively, recovered this month with Airtel shares trading at K113 and TNM at K26.03 as of Friday. The sector has since contributed to the 18 percent return on index to 264 396.39 points that the Malawi All Share Index registered during the first three weeks of February led by FMB Capital Holdings, whose share value jumped 76.7 percent to K1 129 per share. Meanwhile, Airtel's soaring share value has also impacted positively on its market capitalisation which hit K1.2 trillion, cementing its status as the only non-banking company with above K1trillion capitalisation on the sixteen counter bourse. In an interview, equity investment analyst said the strong performance was anticipated. He said: "Some investors recognise the potential in stocks perceived as undervalued and take a long-term perspective on their future growth, leading to increased demand and driving prices higher. "In the absence of any macroeconomic downturn, the outlook remains positive." Stock market investor and director of minority shareholders of listed companies attributed the soaring shares of telecom players to the bullish market which is marked by optimism of the shareholders. Earlier, MSE chief operations officer said the market remains resilient though the medium-term outlook depends on how various sectors and individual companies could be affected by market dynamics. (Source: *The Business Times*)

#### Sovereign investors metals courts

Leading German laboratories ProGraphite and Dorfner Anzaplan have confirmed Kasiya Rutile- Graphite Project qualification for refractory applications. Sovereign Metals Limited, the firm behind the project, made the announcement as part of its efforts to attract investors on the London Stock Exchange. Sovereign Metals said the test results show that Kasiya graphite concentrate has very low Sulphur levels and minimal impurities, offering a competitive advantage in the global graphite market. In the statement, Sovereign Metals managing director and chief executive officer stressed that nearly all of Kasiya's graphite meets the size for refractory use, which typically demands larger flake sizes that attract premium prices compared to the smaller flakes used in battery production. The refractories market is the second-largest end-user of natural graphite, and today's results confirm that our graphite product meets or exceeds the key chemical and physical properties required for this sector. Combined with the excellent results for battery anode materials, this highlights the premium quality of Kasiya graphite concentrate," he said. The announcement is expected to further bolster investor confidence, especially as Sovereign Metals seeks to expand its presence on the London Stock Exchange. The refractories industry is critical to various sectors, including steel production, non-ferrous metals, cement, glass, and chemicals. Steel production alone accounts for about 60 percent of global refractory demand, with each ton of steel requiring 10 to 15 kilograms of refractories. (Source: *The Nation*)

## *Budget must tackle current crises, say stakeholders*

As Finance Minister will be presenting the 2025/26 National Budget tomorrow, stakeholders want a budget that balances borrowing needs and provides tax relief to ease the cost of living. Some of the key stakeholders like Centre for Social Concern (CfSC) and Malawi Economic Justice Network (Mejn) indicated that forth coming national budget address rising cost of living and doing business due to forex scarcity. In an interview, CfSC economic governance programme officer said there is need for the budget to address forex shortages and high import duties as a way of tackling rising cost of living. She said: "The budget is coming at a time both businesses and consumers are facing the worsening cost of living because of soaring commodity prices and increasing cost of production and we believe the budget addresses this. For instance, most traders like vendors believe the prices are, apart from forex scarcity, being affected by high import duty that is imposed on Kaunjika for instance, and we believe removing the duty would also reduce the prices." In a separate interview, Mejn executive director said her organisation is eager to see how the budget will treat the issue of growing public debt, and update on the International Monetary Fund's Extended Credit Facility (ECF) programme and recovery plan. She said: "Our expectations are many, especially on the issues like debt position –how will they manage the growing debt, what is the status of the ECF programme, at the same time it is important to make fuel prices cost reflective." He also highlighted the need for Treasury to be clear on the economic recovery plan noting that the economy is still not ticking while also emphasizing on exchange rate challenges. In a separate interview, Public Accounts Committee (PAC) of Parliament chairperson said some of the current economic challenges emanate from lack of implementation of the budgets and highlighted the need to prepare implementing agencies on time for the forthcoming budget to work. *(Source: The Daily Times)*

## Market activity and colour

### Market commentary

The market traded 5.8m shares in 899 trades recording a market turnover of MWK 3.2bn during the week ended. AIRTEL (+13.3%), FDHB, FMBCH (+24.7%), ILLOVO, NBM, NICO (+25.5%), OMU, PCL, STANDARD, SUN (+8.7%) and TNM (+12.9%) were the market gainers whilst ICON (-0.1%) and NBS dropped in prices. The significant price adjustments on the counters mentioned pushed MASI up by 7.3%.

However, the index went up by 64.9% on year-to-date.

# Weekly Market Report



Equity research | News & Analysis

## SYMBOL SUMMARY



Trading Summary for the week ending  
28 February 2025

| Symbol   | Open     | Close    |         | Volume    | Value            | Trades<br>Count | Market<br>Capitalization |
|----------|----------|----------|---------|-----------|------------------|-----------------|--------------------------|
| AIRTEL   | 113.00   | 128.01   | 13.3% ↑ | 1,338,377 | 159,758,901.00   | 54              | 1,408,110,000,000        |
| BHL      | 14.55    | 14.55    | 0.0%    | 81,315    | 1,183,133.75     | 10              | 85,528,609,304           |
| FDHB     | 315.02   | 315.08   | 0.0% ↑  | 629,132   | 198,213,150.00   | 192             | 2,174,376,926,250        |
| FMBCH    | 1,129.87 | 1,409.47 | 24.7% ↑ | 254,519   | 327,040,040.00   | 67              | 3,464,829,627,500        |
| ICON     | 17.99    | 17.98    | -0.1% ↓ | 215,252   | 3,870,271.24     | 14              | 120,106,400,000          |
| ILLOVO   | 1,355.09 | 1,355.13 | 0.0% ↑  | 15,682    | 21,251,057.29    | 32              | 966,809,897,576          |
| MPICO    | 19.01    | 19.01    | 0.0%    | 0         | 0.00             | 0               | 43,685,882,215           |
| NBM      | 6,199.94 | 6,200.01 | 0.0% ↑  | 33,390    | 207,017,360.00   | 80              | 2,894,981,444,917        |
| NBS      | 349.80   | 349.77   | 0.0% ↓  | 1,782,598 | 623,516,550.00   | 201             | 1,018,031,242,728        |
| NICO     | 661.68   | 830.68   | 25.5% ↑ | 491,772   | 375,468,410.00   | 135             | 866,433,377,625          |
| NITL     | 634.00   | 634.02   | 0.0% ↑  | 7,165     | 4,542,700.50     | 4               | 85,592,700,000           |
| OMU      | 1,950.02 | 1,950.03 | 0.0% ↑  | 348       | 678,609.58       | 7               | 31,209,198,584           |
| PCL      | 2,499.95 | 2,500.02 | 0.0% ↑  | 500,008   | 1,250,030,500.00 | 47              | 300,641,955,116          |
| STANDARD | 6,960.21 | 6,962.21 | 0.0% ↑  | 1,956     | 13,617,403.00    | 9               | 1,633,809,024,158        |
| SUNBIRD  | 276.12   | 300.03   | 8.7% ↑  | 11,658    | 3,497,633.74     | 5               | 78,482,621,477           |
| TNM      | 26.07    | 29.44    | 12.9% ↑ | 505,205   | 14,248,626.10    | 42              | 295,590,848,000          |
| Totals   |          |          |         | 5,868,377 | 3,203,934,346.20 | 899             | 15,468,219,755,451       |

|                      |            |            |         |         | 28-Feb-25 | 21-Feb-25 | 31-Dec-24 |
|----------------------|------------|------------|---------|---------|-----------|-----------|-----------|
| INDEX (week)         | 264,396.39 | 283,722.24 | 7.3% ↑  | MWK/USD | 1734.01   | 1734.01   | 1734.01   |
| INDEX (month)        | 283,722.24 | 283,722.24 | 0.0% ↑  | MWK/GBP | 2246.47   | 2260.94   | 2240.22   |
| INDEX (year to date) | 172,039.93 | 283,722.24 | 64.9% ↑ | MWK/ZAR | 96.63     | 97.26     | 95.03     |

|                    |               |              |
|--------------------|---------------|--------------|
| Market cap (MWK'm) | 15,468,219.76 | 3,348,012.68 |
| Market cap (USD'm) | 8920.481254   | 1930.790021  |

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