

MALAWI

Political and economic news

4 listed banks post K335 billion profit

Four Malawi Stock Exchange (MSE)-listed commercial banks have posted a combined profit of K335bn in 2024, a 77 percent rise from profits chalked in 2023 as the banking sector continues dominating the capital market. Published financial results show that National Bank of Malawi (NBM) plc posted K102 billion profit from the previous year's K72bn, Standard Bank plc's profit jumped to K86.3bn from K52.5bn, FDH Bank plc profit increased to K74bn from K35.6bn while NBS Bank plc profit moved to K72.9bn from K29.3bn. First Capital Bank, a subsidiary of MSE-listed FMB Capital Holdings Limited, has not yet released financial results for the year ended December 2024. The 77 percent profit jump from K189bn in 2023 means that banks' 2024 profits are equivalent to 88 percent of the combined profits of all the 16 listed companies on MSE in 2023 at K375bn. The banks have continued to post high profits at a time the economic environment remains volatile as they benefited from growing interest income, customer deposits and fees and commissions, among others. Reads part of NBM plc financial statements: "The results were largely driven by growth in customer deposits, which fueled growth of the loan book and fixed income securities. Consequently, net interest and similar income grew by 52 percent." Financial expert and former bank executive described the listed banks' strong performance as critical to the market, but expressed concern that the sector is making the profits mainly from lending to government instead of the real sector. He said: These top performers you have, have contributed greatly to wealth creation to their shareholders and I am sure many Malawians have benefited from this. There is need to reverse the trend where most banks' profits should come from private sector lending and in turn the private sector should invest in productive sectors to enhance economic development and wealth creation. *(Source: The Business Times)*

IMF warns Malawi, others to brace for trade shocks

The International Monetary Fund (IMF) has warned Malawi and other low-income economies to brace for worsening global trade tensions, tightening financial conditions and shrinking aid flows as the global economy enters a new phase of uncertainty. In a keynote speech ahead of the IMF-World Bank Spring Meetings, IMF managing director said global economic shifts triggered by rising tariffs, volatile markets and declining trust in multilateralism are testing the resilience of small economies such as Malawi. She said: "As the giants face off, smaller countries are caught in the cross-currents. Low-income countries face the added challenge of collapsing aid flows as donor countries pivot to domestic concerns. She called on governments to urgently reform fiscal and monetary policies to build resilience and protect long-term growth. In a separate interview, National Working Group on Trade Policy chairperson said Malawi needs to rethink its policy alignment and export strategy. He said: "Our fiscal and monetary policies must be in sync. When the Reserve Bank of Malawi tightens while fiscal wants expansion, it creates macroeconomic confusion. We need fiscal discipline, prudent debt management, and a strategy to avoid budget overruns. The sentiments come as Malawi struggles with high public debt at about K16tn, dwindling foreign exchange reserves at less than three months of import cover and an elevated inflation rate at 30.7 percent. *(Source: The Nation)*

Experts tip govt on Expo success

Stakeholders in the tourism industry have urged the Ministry of Tourism to exploit technology and target global tourism power houses to amplify the three-day Malawi International Tourism Expo to attain its marketing objective. They gave the advice ahead of the sixth edition of Malawi International Tourism Expo starting tomorrow to Saturday in Lilongwe. In separate interviews, the experts and industry players said despite the expo being a good initiative to promote the country's tourism sector, they believe the annual event can be improved to make it more impactful and attract worthwhile investors. Itinerary expert and Orbis Destination Management Company director, while describing the tourism expo as an opportunity for the country to showcase its products to the world, said the event can be improved to make it even better. He said: "The Ministry of Tourism has shown great consistency in organising this event. Do we need to do more? Certainly. I think it's time we leverage on technology to amplify this event to make it bigger and better. A good website and booking platform is key, but we surely need to have a good foundation to build on. The newly enacted Tourism Industry Act 2025 will pave the way for the creation of the Malawi Tourism Authority that will market Malawi to help to add value and improve other marketing-oriented initiatives. Malawi Institute of Tourism head of travel department said apart from the use of modern technology to easily market Malawi and the tourism expo, there is need to target special companies and individuals whose participation can add value. He said: "I believe if we identify global tourism influential players, targeting specific players each year with pre-arranged meetings with them, we can benefit from their influence. There are influential players in tourism whose impression and recommendation can easily make Malawi a common destination for tourists. There is need for the event to target key companies and individuals. (Source: *The Business Times*)

Market activity and colour

Market commentary

The market traded 3.4m shares in 415 trades recording a market turnover of MWK 1bn during the week ended. NITL, OMU (+11.5%), PCL (+5.0%) and STANDARD were the market gainers whilst AIRTEL, FDHB (-0.1%), FMBCH (-6.2%), NBS (-0.4%), NICO and TNM (-2.7%) dropped in prices. The significant price drops on the counters mentioned pushed MASI down by -1.1%.

However, the index went up by 68.7% on year-to-date and dropped by -0.5% month to date.

Weekly Market Report



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SYMBOL SUMMARY



Trading Summary for the week ending
25 April 2025

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
AIRTEL	129.06	129.03	0.0% ↓	579,652	74,800,935.97	37	1,419,330,000,000
BHL	14.55	14.55	0.0%	0	0.00	0	85,528,609,304
FDHB	314.59	314.40	-0.1% ↓	405,272	127,442,820.00	106	2,169,684,225,000
FMBCH	1,223.08	1,146.98	-6.2% ↓	28,756	33,965,772.75	30	2,819,563,585,000
ICON	17.95	17.95	0.0%	0	0.00	0	119,906,000,000
ILLOVO	1,791.58	1,791.58	0.0%	12,508	22,408,890.00	10	1,278,192,702,028
MPICO	19.00	19.00	0.0%	0	0.00	0	43,662,901,740
NBM	6,200.14	6,200.14	0.0%	29,996	185,979,083.00	42	2,895,042,146,043
NBS	343.64	342.20	-0.4% ↓	947,229	324,762,510.00	98	995,998,202,423
NICO	776.72	776.71	0.0% ↓	61,808	48,006,703.00	39	810,140,449,674
NITL	715.03	715.04	0.0% ↑	22,000	15,730,980.00	3	96,530,400,000
OMU	2,242.53	2,500.00	11.5% ↑	2,000	5,000,000.00	1	42,443,877,500
PCL	3,802.21	3,991.34	5.0% ↑	24,917	99,452,230.00	11	479,981,864,599
STANDARD	9,500.03	9,502.00	0.0% ↑	4,879	46,352,941.00	18	2,229,816,875,324
SUNBIRD	300.14	300.14	0.0%	20	6,002.80	1	78,511,395,561
TNM	23.66	23.02	-2.7% ↓	1,325,690	30,563,260.00	19	231,131,159,000
Totals				3,444,727	1,014,472,128.52	415	15,795,464,393,197

				25-Apr-25	17-Apr-25	31-Dec-24
INDEX (week)	293,362.87	290,277.11	-1.1% ↓	MWK/USD	1734.01	1734.01
INDEX (month)	291,644.54	290,277.11	-0.5% ↓	MWK/GBP	2374.89	2240.22
INDEX (year to date)	172,039.93	290,277.11	68.7% ↑	MWK/ZAR	94.96	95.03

Market cap (MWK'm)	15,795,464.39	3,348,012.68
Market cap (USD'm)	9109.202367	1930.790021

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