

MALAWI

Political and economic news

Trade gap widens, tobacco exports down, shows data

Malawi's exports eased in February this year following a decline of tobacco exports, worsening the trade balance compared to same period last year. Preliminary merchandise trade data from National Statistical Office (NSO) shows that exports were recorded at \$32.6 million (about K53 billion) in February, 40.9 percent lower than the \$55.1 million (about K96.4 billion) registered in February 2024 and also way below the \$126.7 million (about K221.8 billion) recorded in January this year. The report indicates that this happened at a time imports continue to rise, having jumped from \$181.6 million (about K318 billion) in February 2024 to \$293.7 million (about K514 billion) in February 2025, widening the trade deficit. The trade deficit grew to \$261.1 million [about K457 billion] in February 2025, up by 106.4 percent from \$126.2 million in February 2024 as exports decreased relative to imports. The data further shows that the export-to-import ratio is 0.1, indicating that exports were equivalent to 10 percent of the import value in February 2025 due to a sharp decline in tobacco exports during the month. In the month under review, the key export commodities were tobacco, valued at \$11.3 million (about K20 billion), which is 34.6 percent, followed by tea at \$6.2 million (about K11 billion) or 18.9 percent and pulses at \$2.6 million (about K4.5 billion) or eight percent of the total exports. This is a significant fall in tobacco exports from \$45.2 million (about K79 billion), which was 78 percent of total exports in January 2025.

(Source: The Business Times)

Ecama backs non-action paye, minimum wage

The Economics Association of Malawi (Ecama) has backed a move by Ministry of Finance and Economic Affairs to maintain the minimum wage and pay as you earn (Paye) tax-free band in the 2025/26 National Budget. Ecama president said in an interview that the government's position is a reflection of its efforts to maintain fiscal stability amid competing demands. Ecama's position follows mounting pressure from labour representative organisations and some economists to increase the paye tax-free band and minimum wage, currently at K90 000 per month. She said: "This approach helps to sustain government revenue levels, ensuring continued funding for essential public services without exacerbating the budgetary deficit. "It also avoids increasing labour costs for government and small and medium enterprises, which are already operating under tight margins." But she warned that this fiscal prudence will come at a steep social cost. Malawi is grappling with high inflation rate, currently at 30.7 percent, which has eroded real incomes and pushed many households into economic vulnerability. In a separate interview, Employers Consultative Association of Malawi executive director cautioned that without wage or tax adjustments, low-income earners face diminished purchasing power and declining living standards. He said: "Disposable incomes are getting eroded because of inflation. Standards of living worsen, aggregate demand for goods and services reduces, there is no job creation and jobs are lost. "Productivity also reduces, affecting the social and economic growth of the country." Calls to revise the Paye zero tax band had grown louder ahead of the budget presentation, with the Institute of Chartered Accountants in Malawi proposing an adjustment to K300 000 to shield low-income workers from the full brunt of inflation.

(Source: The Daily Times)

Market activity and colour

Market commentary

The market traded 3m shares in 620 trades recording a market turnover of MWK 1.6bn during the week ended. AIRTEL (+0.6%), ILLOVO, NITL (+10.2%), PCL and STANDARD (+12.7%) were the market gainers whilst FDHB, FMBCH (-6.6%), MPICO (-0.1%), NBS (-0.2%), NICO (-0.2%) and TNM (-6.1%) dropped in prices. The significant price jump on the counters mentioned pushed MASI up by 0.1%.

However, the index went up by 69.8% on year-to-date and 0.1% month to date.

Weekly Market Report



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SYMBOL SUMMARY



Trading Summary for the week ending
04 April 2025

Symbol	Open	Close		Volume	Value	Trades Count	Market Capitalization
AIRTEL	128.24	129.02	0.6% ↑	304,924	39,224,606.00	18	1,419,220,000,000
BHL	14.55	14.55	0.0%	0	0.00	0	85,528,609,304
FDHB	315.19	315.07	0.0% ↓	585,965	184,671,630.00	184	2,174,307,915,938
FMBCH	1,384.50	1,293.50	-6.6% ↓	282,235	385,444,896.00	52	3,179,746,375,000
ICON	17.95	17.95	0.0%	31,147	559,088.65	10	119,906,000,000
ILLOVO	1,791.64	1,791.65	0.0% ↓	9,148	16,389,956.68	21	1,278,242,643,135
MPICO	19.00	18.99	-0.1% ↓	23,773	451,682.00	5	43,639,921,265
NBM	6,200.10	6,200.10	0.0%	89,356	554,016,000.00	67	2,895,023,468,774
NBS	347.97	347.29	-0.2% ↓	615,126	213,825,600.00	136	1,010,813,020,805
NICO	776.87	775.56	-0.2% ↓	177,464	137,542,340.00	77	808,940,952,414
NITL	634.98	700.00	10.2% ↑	16,805	10,788,590.00	13	94,500,000,000
OMU	1,950.03	1,950.03	0.0%	0	0.00	0	33,106,733,777
PCL	2,875.01	2,875.02	0.0% ↑	991	2,849,145.00	3	345,737,887,616
STANDARD	7,941.08	8,950.01	12.7% ↑	8,981	79,857,358.00	9	2,100,282,396,582
SUNBIRD	300.14	300.14	0.0%	0	0.00	0	78,511,395,561
TNM	24.93	23.40	-6.1% ↓	925,193	22,932,926.40	25	234,946,530,000
Totals				3,071,108	1,648,553,818.73	620	15,902,453,850,171

				4-Apr-25	28-Mar-25	31-Dec-24
INDEX (week)	291,644.54	292,054.60	0.1% ↑	MWK/USD	1734.01	1734.01
INDEX (month)	291,644.54	292,054.60	0.1% ↑	MWK/GBP	2332.38	2310.59
INDEX (year to date)	172,039.93	292,054.60	69.8% ↑	MWK/ZAR	94.33	98.00

Market cap (MWK'm)	15,902,453.85	3,348,012.68
Market cap (USD'm)	9170.902903	1930.790021

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