



1. Money Market

Government Securities

The government Treasury bill auction held during the week raised a total of K1.77 billion from total applications of K1.77 billion resulting in a nil rejection rate. The average yields for the 91 days, 182 days and 364 days were 9.55%, 12.80% and 13.79% respectively (previous week: 91 days: 9.99%, 182 days: 12.70%, 364 days: 13.80%). Treasury note (7-yr) auctions held during the week raised a total of K9.71 billion from total applications of K10.77 billion resulting in a 10.00% rejected rate. The weighted average rate was 20.50%. Total maturities for the week stood at K8.32 billion; resulting in a net withdrawal of K3.18 billion (Source: RBM).

2. Interbank Market

Liquidity levels decreased during the week in review to a daily average of K6.48 billion from K12.78 billion recorded in the previous week. The volume on Interbank borrowing decreased to a daily average of K10.88 billion (previous week: K24.50 billion) at an average rate of 11.72% (previous week: 11.72%). Access to the Lombard facility during the week in review averaged K37.66 billion (previous week: K18.42 billion) at an average rate of 12.20% (previous week: 12.20%) (Source: RBM).

3. Stock Market

The MASI closed the week at 33,260.55 points (previous week: 32,901.81 points), the Domestic Share Index (DSI) closed at 28,151.04 points (previous week: 27,900.12 points) and the Foreign Stock Index (FSI) closed at 1,844.72 points (previous week: 1,757.52 points). The increase in MASI was due to share price gains in Airtel and FMBCH; despite share price loss in FDH Bank. Total volume of 9.19 million shares were traded during the week at a value of K278.78 million in 56 deals (Source: MSE).

4. Local Development

- NICO Holdings plc has released its financial statement for the financial year ended 31 December 2020. The results indicate that the company's profit after tax increased by 26% to K18.60 billion from 14.73 billion registered in the previous year (Source: NICO).
- The inflation rate for April 2021 has increased to 9.40% from 8.30% recorded in February 2021. The food and non-food inflation rate increased to 11.70% and 6.90% from 10.30% and 6.30% respectively (Source: NSO).

5. Regional Developments in the Week

The Executive Board of the International Monetary Fund (IMF) has approved a third tranche of grants for debt service relief for 28 member countries under the Catastrophe Containment and Relief Trust (CCRT) including Malawi. The grant of approximately US\$238 million is expected to help free up scarce financial resources for vital emergency health, social, and economic support to mitigate the impact of the Covid-19 pandemic (Source: IMF).

6. Global Developments in the Week

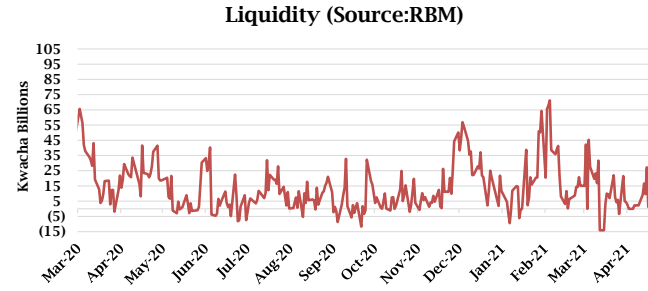
The Central Bank of Russia has projected that the country's economy will return to the pre-crisis level in the second half of 2021. The Bank forecasts the growth rate in 2021 in the range of 3%-4%. The pace of economic recovery to pre-pandemic levels is becoming increasingly steady, however in certain sectors the capacity for output expansion is lagging behind the expanding demand (Source: Reuters).

Stock Market (Source: Malawi Stock Exchange)					
	Div yield %	P/E	P/BV	16-Apr-21	23-Apr-21
Counter				MK/Share	MK/Share
Airtel	6.91	15.13	13.88	29.01	↑ 30.39
Blantyre Hotels	0.00	(20.36)	1.37	11.00	↓ 11.00
FDH Bank	2.61	8.13	4.22	16.49	↓ 16.48
ICON	1.73	11.21	1.10	12.16	12.16
ILLOVO	2.49	20.96	0.80	80.46	80.46
MPICO	1.20	8.68	1.23	20.88	20.88
NBM	2.76	17.74	3.01	650.05	650.05
NBS Bank	1.52	15.02	4.36	23.00	23.00
NICO	3.66	6.76	1.70	51.93	51.93
NITL	0.79	7.20	1.11	94.94	94.94
PCL	2.17	17.69	0.92	1,199.94	1,199.94
Standard Bank	3.73	11.86	2.66	1,200.13	1,200.13
Sunbird	1.11	9.07	1.01	90.00	90.00
TNM	4.58	10.92	3.58	16.38	16.38
FMBCH	0.00	(21.22)	1.35	30.01	↑ 31.77
OMU	2.47	26.35	3.31	2,190.00	2,190.00
DSI	N/A	N/A	N/A	27,900.12	↑ 28,151.04
FSI	N/A	N/A	N/A	1,757.02	↑ 1,844.72
MASI	N/A	N/A	N/A	32,901.81	↑ 33,260.55

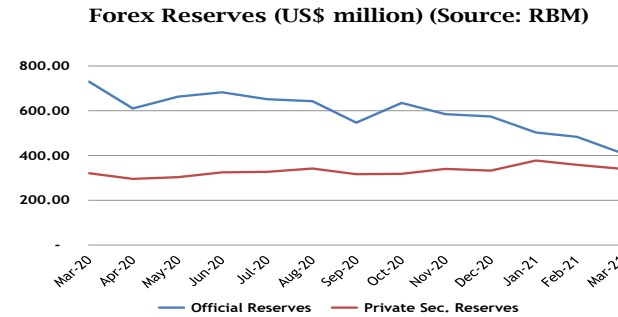
MASI= Malawi All Share Index, DSI= Domestic Share Index, FSI= Foreign Share Index

	2020	2021
MASI Return (YTD)	-4.61%	2.68%

Liquidity (Source: RBM)



Forex Reserves (Source: RBM)



Exchange Rates - Middle Rates (Source: RBM)

CURRENCY	16-Apr-21	23-Apr-21	% Change
MK/US Dollar	787.21	789.32	↓ -0.27%
MK/GBP	1081.62	1093.93	↓ -1.14%
MK/ZAR	55.49	55.24	↑ 0.46%
MK/EUR	941.13	949.46	↓ -0.88%

Global Market Rates (Source: Bloomberg, WSJ, CNBC)

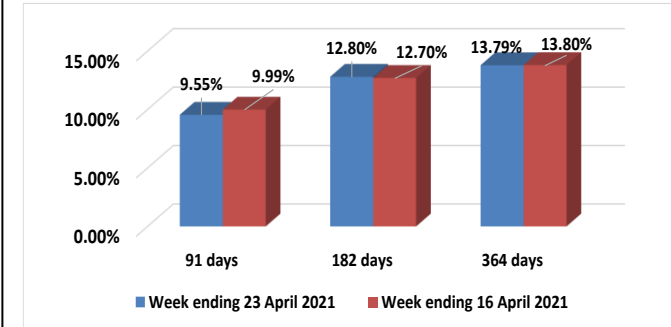
	16-Apr-21	23-Apr-21	Change
US Fed Rate	0.250%	0.250%	→ 0.000%
US Libor (3 months)	0.188%	0.176%	↑ 0.012%
US Libor (6 months)	0.211%	0.211%	→ 0.000%
US Treasury yield (10 years)	1.662%	1.541%	↑ 0.121%
BOE Rate	0.100%	0.100%	→ 0.000%
ECB Rate	0.000%	0.000%	→ 0.000%

*LIBOR = London Interbank Offered Rates

*BOE= Bank of England

*ECB= European Central Bank

Prevailing Government Security Interest Rates (Source: RBM)



Government Securities for Week ending 23 April 2021 (Source: RBM)

TENORS	VOLUME (K'MILLION)	AVERAGE YIELD (%)
91 days TB	663.91	9.55
182 days TB	467.08	12.80
364 days TB	636.04	13.79
7-yr TN	9,710.00	20.50
TOTAL	11,477.03	

Malawi Real GDP Projections (Source: EIU, IMF, World Bank, Malawi Government)

	Real GDP Growth Projections			
	2019	2020	2021	2022
EIU	4.10%	-1.00%	2.30%	4.00%
IMF	4.00%	0.60%	2.20%	6.00%
WORLD BANK	4.40%	1.00%	3.30%	5.30%
GOVERNMENT	5.10%	0.90%	3.50%	
Average Real GDP	4.40%	0.38%	2.83%	5.10%

Contacts:

Head Office

NICO Asset Managers Limited, 19 Glyn Jones Road
Chibisa House, P.O. Box 3173, Blantyre
Tel No: 01 832 085/086
Email: invest@nicoassetmanagers.com Website: www.nicoassetmanagers.com NICO Asset Managers/Facebook

Lilongwe Branch

NICO Asset Managers Limited, Corner Kenyatta Drive
NICO Centre, P.O. Box 30729, Lilongwe 3
Tel No: 01 757 086