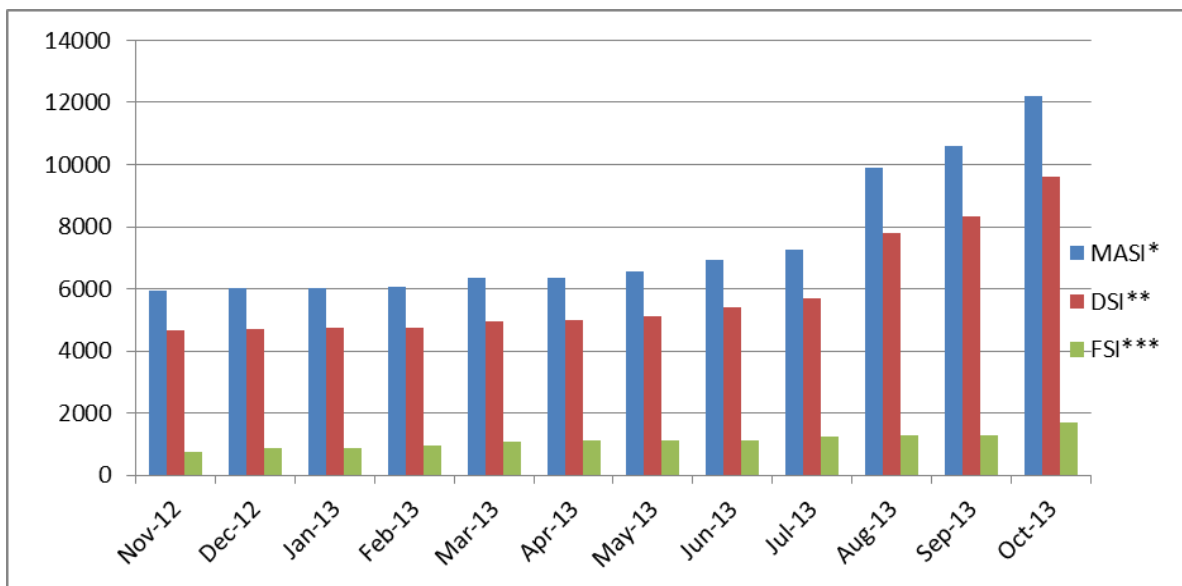




MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

OCTOBER 2013



MALAWI STOCK EXCHANGE

OLD RESERVE BANK BUILDING, VICTORIA AVENUE

PRIVATE BAG 270

BLANTYRE

TEL. (265) 01 824 233

FAX. (265) 01 823 636

E-mail. mse@mse-mw.com

WEBSITE. www.mse.co.mw

MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR OCTOBER 2013

1.0 TRADING SUMMARY

The Market registered a monthly return on index of **15.22%**(**9.02%** in US Dollar terms) to close the month of October at a record high of 12219.25 points compared to 10604.97 points in September 2013.

It also recorded an increase in traded value and volume compared to the previous month of September 2013.

Index Levels and Return – OCTOBER 2013

INDEX	Oct. 2012	Sept. 2013	Oct. 2013	Monthly % Δ	YTD % Δ
MASI	5915.97	10604.97	12219.25	15.22 ▲	103.13 ▲
DSI	4655.07	8349.65	9603.54	15.02 ▲	103.23 ▲
FSI	754.12	1296.46	1684.20	29.91 ▲	97.06 ▲

Trading Statistics – OCTOBER 2013

	OCTOBER 2013	SEPTEMBER 2013	% Δ
Traded Value (MK)	956,642,474.18	362,504,304.73	164.73▲
Traded Value (US\$)	2,472,730.41	1,017,344.83	143.06▲
Traded Vol. Shares	62,938,188	61,993,884	1.52 ▲
No. of Transactions	155	171	9.36 ▼
Index Close (MASI)	12219.25	10604.97	15.22 ▲
Index Close (DSI)	9603.54	8349.65	15.02▲
Listed companies	14	14	
Traded Companies	13	13	
Not Traded Companies	01	01	
Gainers	08	06	
Decliners	01	00	
Unchanged	04	07	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

From 1st October to 31st October, 2013 a total of 62,938,188 [14,207,129 in October 2012] shares were transacted at a total consideration of MK959,642,474.18(US\$2,472,730.41) [MK131,961,923.05(US\$422,064.83) in October 2012] in 155 trades. In the previous month, September 2013, the

market transacted a total of 61,993,884 shares at a total consideration of MK362,504,304.73(US\$1,017,344.83) in 171 trades. This reflects a 1.52% increase in terms of share volume and 164.73% (143.06% in US Dollar terms) in share value.

The market registered an average daily volume of 2,997,057 shares in October 2013 compared to 2,952,090 shares in September 2013.

The average daily turnover for October 2013 was MK45,697,260.68 (US\$117,749.07) compared to MK17,262,109.75 (US\$48,444.99) for the previous month, reflecting an increase of 164.73% (143.06% in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR SEPTEMBER 2013 – OCTOBER 2013

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
September	61,993,884	362,504,304.73	1,017,344.83
October	62,938,188	959,642,474.18	2,472,730.41
% CHANGE	1.52 ▲	164.73 ▲	143.06 ▲

2.2 Market Capitalisation and Index

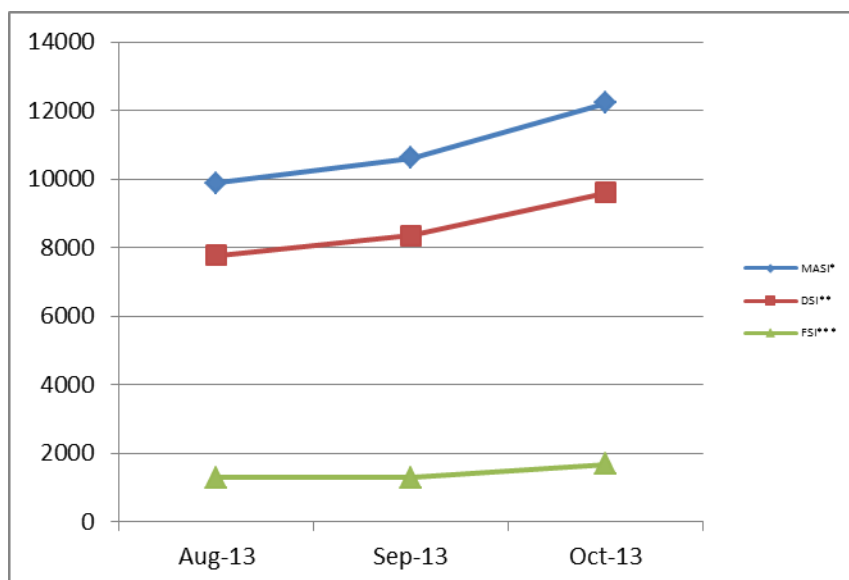
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 10604.97 points registered on 30th September 2013 to 12219.25 points registered on 31st October 2013, giving a monthly return on index of 15.22%, (9.02% in US\$ terms). The price gains registered by eight counters, ILLOVO, NBM, NBS, NICO, PCL, STANDARD BANK, TNM and OML were the major drivers resulting into an increase in both the Foreign Share Index and the Domestic Share Index by 29.91 points from 1296.86 points to 1684.20 points and by 15.02 points from 8349.65 points to 9603.54 points (8.82% in US\$ terms) respectively.

Table 2: Market Capitalization and Index – October 2013

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
September	5,492,130.28	14,680.7658	447,692.54	1,196.7068	10604.97
October	7,068,963.14	17,878.3440	515,839.95	1,304.6276	12219.25

* Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – October 2013



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***) in October was recorded at 0.19% compared to 0.08% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.05% compared to 0.02% recorded in the previous month.

Table 3: Market Liquidity – October 2013

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
September	296.58	24.176	0.01958	0.0810	0.352396
October	381.73	27.856	0.05182	0.1860	0.357764

* Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
PCL	Press Corporation Ltd	42.28
OML	Old Mutual plc	29.91
Standardbank	Standard Bank Malawi	25.42
NBS	NBS Bank	23.08
NBM	National Bank of Malawi	21.95
ILLOVO	Illovo Sugar Malawi	12.05
NICO	NICO Holdings Ltd	5.61
TNM	TNM	3.00

Eight counters registered a capital gain in October 2013.

Top Decliners

MSE CODE	COUNTER NAME	% LOSS
FMB	FMB Bank	-5.26

One counter registered a capital loss in October 2013.

Top Four Traded Stocks by Volume- October 2013

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	45,113,025	71.68
FMB	FMB Bank	6,167,360	9.80
NBS	NBS Bank	4,131,237	6.56
NICO	NICO Holdings Ltd	3,988,470	6.34

Top Four Traded Stocks by Value- October 2013

MSE CODE	COUNTER NAME	MK	% OF TOTAL
PCL	Press Corporation Ltd	296,367,038.30	30.88
FMB	FMB Bank	111,059,840.00	11.57
Standardbank	Standard Bank Malawi	109,030,771.00	11.36
NBM	National Bank of Malawi	108,120,965.10	11.27

Company Trading Statistics- October 2013

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	700	700	0.00%	-	-
FMB	1900	1800	-5.26%	6,167,360	111,059,840.00
ILLOVO	24600	27565	12.05%	383,486	103,991,509.00
MPICO	200	200	0.00%	660,226	1,320,452.00
NBM	17220	21000	21.95%	523,875	108,120,965.10
NBS	1300	1600	23.08%	4,131,237	63,842,590.55
NICO	1515	1600	5.61%	3,988,470	63,805,620.00
NITL	2770	2770	0.00%	105,900	2,933,430.00
PCL	20000	28455	42.28%	1,041,826	296,367,038.30
REAL	100	100	0.00%	69,080	69,080.00
STANDARD BANK	29500	37000	25.42%	303,937	109,030,771.00
SUNBIRD	657	657	0.00%	447,232	2,938,314.24
TNM	200	206	3.00%	45,113,025	92,814,903.99
OML	103150	134000	29.91%	2,534	3,347,960.00
				62,938,188	959,642,474.18

3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha depreciated against all major trading currencies between 30th September and 31st October, 2013 as shown in Table 2 below;

TABLE 2: MONTHLY EXCHANGE RATES: Sept. 2013-OCT. 2013

CURRENCY	END SEPT' 2013	END OCT' 2013	% CHANGE*
MK/US Dollar	374.1038	395.3925	-5.38
MK/GBP	603.5194	639.4874	-5.62
MK/ZAR	37.6382	40.8341	-7.83
MK/EUR	504.4742	543.9452	-7.26

Source: National Bank of Malawi; *Used the reciprocal method to calculate % change

- 3.2 The year on year headline inflation stood at 21.7% in September 2013 down by 1.6% on account of a drop in non-food inflation from 28.9% in August 2013 to 24.2% in September 2013.

The urban and rural inflation rates for the month of September 2013 were 31.0% and 16.9% respectively.

Key Economic Indicators- October 2013

	October 2012	Sept. 2013	Oct. 2013
Inflation Rate	30.6	21.7	21.7(Sept)
RBM Bank Rate	21.0	25.0	25.0
Prime Rate	31.0	35.0	35.0
91 Days T-Bill	20.73	14.92	25.29
182 Days T-Bill	22.03	20.17	26.50
364 Days T-Bill	25.22	22.48	30.79
Import Cover(Months)	0.8	2.38	2.14(Oct. 25)

Source: Reserve Bank of Malawi, National Bank of Malawi and National Statistical Office

The 91 days, 182 days and 364 days treasury bills inched upwards by 69.50%, 31.38% and 36.97% respectively between September and October.

Import cover fell by 10.08% from 2.38 months on 30th September to 2.14 months on 25th October, 2013.