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General Notes

The Monthly Economic Review is published by the Research and Statistics Department, Reserve Bank of Malawi, P.O. Box 30063, Capital City, Lilongwe 3. Any opinions expressed in this *Review* should be regarded as solely those of the Research and Statistics Department, and as such, queries should be forwarded to the Director, Research and Statistics. Tel: 265 1 771600; fax 265 1 770 593;. Email: [research@rbm.mw](mailto:research@rbm.mw)

**HIGHLIGHTS****1.1 Gross Foreign Exchange Reserves<sup>1</sup>**

Total gross foreign reserves of the banking system significantly rose to US\$371.6 million (K56.0 billion) in December 2010 from US\$252.5 million (K38.1 billion) recorded in November 2010. This was sufficient to finance 2.9 months of imports compared to 2.0 months of imports registered in the preceding month.

**1.2 Exchange rates**

The Malawi kwacha remained relatively stable against the US dollar whilst it weakened against all other currencies of its major trading partners except the British pound. This outturn was in part on account of weakening of the US dollar against its major trading partners' currencies.

**1.3 Money Supply**

Broad money supply increased by K7.5 billion (3.8 percent) to K203.9 billion from K196.4 billion recorded in the preceding month. This outturn was explained by an increase in net foreign assets as net domestic assets declined. On annual basis, M2 growth accelerated to 17.8 percent in December 2010 from 14.3 percent in November 2010.

**1.4 Interest Rates**

The Bank rate, commercial bank lending and savings rates closed off the year 2010 at 13.0 percent, 17.67 percent and 4.14 percent, respectively. Meanwhile, Treasury bills yields for all tenors declined during the month of December 2010 from the levels attained in November 2010, while interbank rate moved upwards.

**1.5 Inflation**

Inflation decelerated by 0.1 percentage points to 6.3 percent in December 2010 from 6.4 percent in November 2010. The deceleration was on account of decelerating food inflation owing to abundant maize stocks.

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<sup>1</sup> The figures exclude encumbered reserves and holdings by Crown Agents.

## **2.0 EXTERNAL SECTOR**

### **2.1 Gross Foreign Exchange Reserves**

Total foreign reserves of the banking system increased by 47.1 percent to stand at US\$371.6 million (K56.0 billion) in December 2010 from US\$252.5 million (K38.1 billion) registered in the preceding month. This represented 2.9 months of imports from 2.0 months of imports recorded in November 2010. This development emanated from a significant increase in gross official reserves which stood at US\$279.6 million during the month under review from US\$154.8 in November 2010. In contrast, commercial banks' reserves decreased to US\$92.0 (K13.9 billion) million as at end December 2010 from US\$97.7 million (K14.1 billion) registered in the preceding month.

### **2.2 Foreign Exchange Market**

Net sales of foreign exchange transactions conducted through the Reserve Bank of Malawi resulted into a surplus of US\$124.6 million (K18.8 billion) in the month of December 2010 from a deficit of US\$38.1 million (K5.7 billion) recorded in the preceding month. This development was explained by receipt of capital inflows in the form of balance of payments grants and projects funds as well as the Extended Credit Facility (ECF) funds during the month; coupled with a marked drop in demand for foreign exchange of 68.9 percent.

The supply of foreign exchange sharply increased to reach US\$139.8 million (K21.1 billion) in December 2010 from US\$14.2 million in November 2010. Major sources of foreign exchange during the review month included balance of payments support funds from the European Development Fund (EDF) and the United Kingdom's Department for International Development (UK/DFID) and projects funds, together amounting to US\$121.1 million (K18.3 billion).

The demand for foreign exchange dropped to US\$15.17 million (K2.3 billion) in December 2010 from US\$52.1 million (K7.9 billion) registered in the previous month. The government payments formed the major source of demand in the month, amounting to US\$10.0 million.

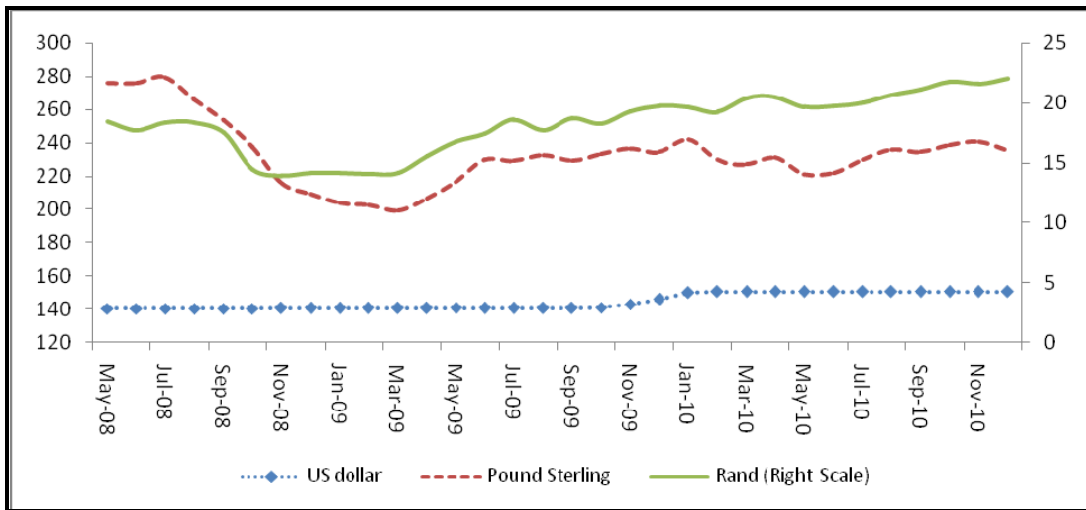
### **2.3 Exchange Rate Developments**

The Malawi kwacha generally weakened against all other major trading partners' currencies while maintaining its stability against the US dollar in December 2010. This was on account of the strengthening of the country's major trading partners' currencies against the US dollar in the review month.

The kwacha stood at K150.8009 per dollar during the month under review from K150.8007 in the preceding month. With regard to the euro, the Malawi kwacha depreciated by 1.3 percent and traded at K200.4144 per euro in December 2010. In contrast, the local currency appreciated albeit marginally by 0.9 percent against the British pound and moved from K234.8419 per pound in November 2010 to K232.6405 per pound as at end December 2010. When viewed against the Japanese yen, the kwacha lost 3.3 percent and stood at K1.8497 per yen.

Within the region, the local unit lost ground both against the South African rand and Zambian kwacha in December 2010. The kwacha depreciated by 7.1 percent against South African rand traded at K22.7182 per rand, and also lost 2.9 percent against Zambian kwacha to reach K0.0316 per Zambian kwacha.

Chart 1: Malawi Kwacha Exchange Rate

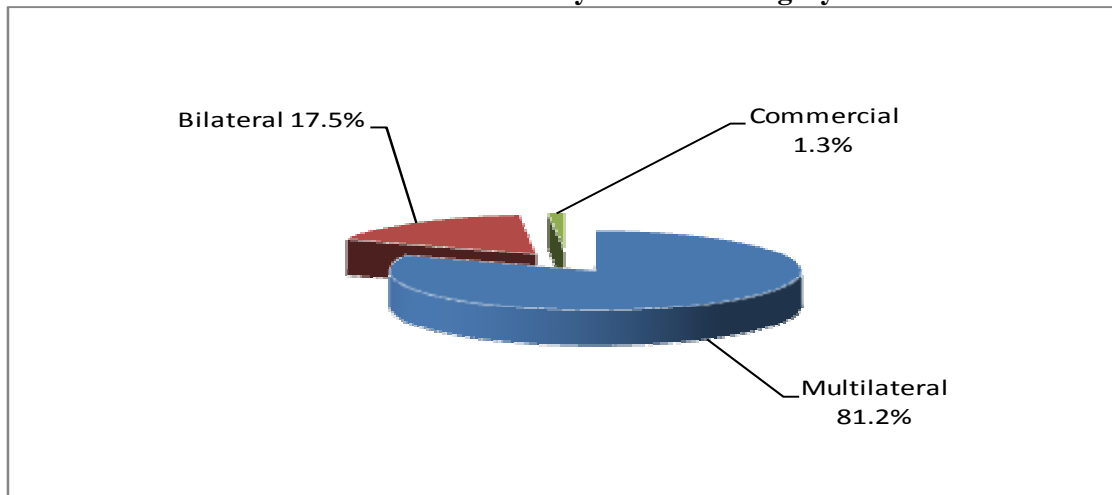


Source: Reserve Bank of Malawi

**2.4 External Debt Stock**

Disbursed and outstanding public external debt amounted to US\$846.2 million in December 2010 representing 16.5 percent of gross domestic product (GDP) compared to US\$835.4 million recorded during the preceding months. The increase in the outstanding debt stock emanated from disbursements which were more than principal repayments. In December 2010, a total of US\$11.7 million was disbursed, with the International Monetary Fund (IMF) disbursing US\$10.6 million under the Extended Credit Facility, while International Development Association (IDA) and African Development Fund (ADF) disbursed US\$0.8 million and US\$0.3 million, respectively. Some information of disbursements made in October 2010 and November 2010 was also made available in the month under review. The IDA had disbursed US\$0.5 million in November 2010 while ADF disbursed US\$0.05 million and US\$0.4 million in October 2010 and November 2010, respectively. A total of US\$12.67 million in disbursements were therefore recorded in December 2010. Principal amortisation amounted to US\$1.89 million resulting in net disbursements of US\$10.8 million.

Chart 2: Public External Debt Stock by Creditor Category December 2010



Source: Reserve Bank of Malawi

In terms of creditor category, multilateral debt made up 81.2 percent of the outstanding debt stock at US\$687.0 million, having increased by US\$11.3 million from the outstanding amount recorded in the preceding month. The increase was a result of the disbursements made by some multilateral creditors (IMF, IDA and ADF) which totalled US\$12.7 million compared to principal repayments of US\$1.4 million. Bilateral debt decreased to US\$148.5 million from US\$149.0 million in the preceding month to make up 17.5 percent of the total debt stock following principal repayments to China (Taiwan). Commercial debt remained at US\$10.8 million representing 1.3 percent of the outstanding debt stock.

**2.5 External Debt Service**

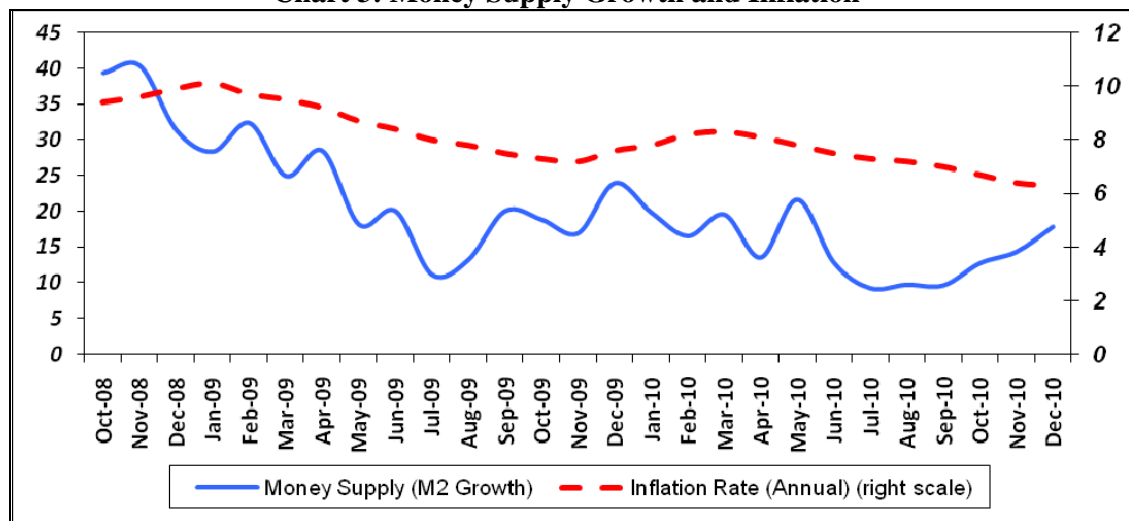
Total public external debt service in December 2010 was US\$2.6 million. This amount included US\$2.0 million externalised by the central government and US\$0.6 million paid by ESCOM to Development Bank of Southern Africa (DBSA) in interest payments. The amount externalised by the central government was made up of amortization amounting to US\$1.9 million and interest payments totalling US\$0.2 million. In the preceding month public external debt service totalled US\$0.45 million while in a corresponding month of 2009 debt service amounted to US\$1.1 million.

**3.0 BANKING AND FINANCE**

**3.1 Monetary Developments**

Broadly defined money supply (M2) increased by K7.5 billion (3.8 percent) to K203.9 billion in December 2010 compared to an expansion of K2.7 billion (1.4 percent) recorded in the preceding month. This development was attributed to a K18.3 billion increase in net foreign assets as net domestic assets declined by K10.8 billion. Subsequently, annual M2 growth accelerated by 3.5 percentage points to 17.8 percent in December 2010 from 14.3 percent in the preceding month.

**Chart 3: Money Supply Growth and Inflation**



Source: Reserve Bank of Malawi

On the liabilities side, the growth in broad money supply was explained by increases in both quasi money and narrow money of K4.8 billion (5.0 percent) and K2.7 billion (2.7 percent), respectively. Quasi money expanded to K101.8 billion in the review month from the November 2010 position of K96.9 billion. This outcome was largely attributed to a K4.7 billion accumulation of term deposits, reflecting precautionary demand for money balances

especially for importation of strategic commodities. Meanwhile, foreign currency deposits increased marginally to K18.6 billion in December 2010 from K18.5 billion in the previous month.

Narrow money rose to K102.1 billion in December 2010 from K99.4 billion in the preceding month. The outturn was explained by a K3.9 billion (5.8 percent) increase in demand deposits that was partly offset by a K1.2 billion (3.6 percent) decrease in currency in circulation. The overall increase in these balances partly reflected seasonal increase in demand for transactional during the festive season.

### **3.2 Net Domestic Credit**

At K216.9 billion, total net domestic credit extended by the banking system was K19.0 billion (8.1 percent) below the November 2010 position of K235.9 billion. The outcome was explained by decreases in net credit to government and net credit to statutory corporations of K21.9 billion (19.4 percent) and K416.2 million (8.2 percent), respectively. Meanwhile, credit to the private sector rose by K3.2 billion (2.7 percent) during the review month.

Net credit to government declined by K21.9 billion (19.4 percent) to K90.6 billion in December 2010 from K112.4 billion in the preceding month. This development was explained by a K22.7 billion (23.9 percent) drop in the monetary authorities' net claims on the central government that was partly offset by a K861.2 million (5.0 percent) rise in the commercial banks' net claims on government.

Government's indebtedness with the monetary authorities dropped to K72.5 billion in December 2010 from K95.2 billion in November 2010. The outturn was explained by K12.7 billion net maturities of Treasury bills, K8.6 billion accumulation of government deposits and a K1.5 billion repayment of Ways and Means advances. The accumulation of government deposits was explained by sizeable foreign capital flows following a successful first review of the IMF supported Extended Credit Facility program.

Net credit to government extended by the commercial banks rose to K18.1 billion during the review month from K17.2 billion in November 2010 on account of a K589.0 million increase in the commercial banks' holdings of Treasury bills that was exacerbated by a K272.1 million depletion of government deposits.

Credit extended to the statutory corporations declined by K416.2 million (8.2 percent) to K4.7 billion in December 2010 from K5.1 billion in the preceding month. This outturn was explained by the parastatals' partial repayment of their outstanding debts with the monetary authorities and the commercial banks of K392.2 million and K24.0 million, respectively.

Gross credit to the private sector continued the rising trend observed since September 2010 and stood at K121.6 billion in December 2010, representing a monthly increase of 2.7 percent. The increase was spread across all credit components with personal loans recording the largest increase of K1.4 billion followed by the agricultural sector (K590.7 million), the commercial and industrial sector (K445.0 million), mortgage loans (K159.1 million) and foreign exchange loans (K106.3 million). This development reflects improved credit accessibility owing to the downward interest rate adjustment effected in August 2010.

**Table 1: Money Supply and its Sources**

<i>(In billion Malawi Kwacha)</i>										
	2010									
	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Money Supply (M2)	167.9	169.7	179.0	175.3	172.8	180.5	191.3	193.7	196.4	203.9
Narrow money (M1)	78.0	81.5	88.4	89.1	84.3	90.8	98.7	102.4	99.4	102.1
Quasi-money	89.9	88.2	90.7	86.2	88.5	89.7	92.6	91.3	96.9	101.8
Net Foreign Assets 1/	8.5	2.1	1.0	9.9	9.3	5.4	7.1	6.6	2.1	20.4
Net Domestic Assets	159.4	167.6	178.0	165.4	163.5	175.1	184.2	187.1	194.3	183.5
Net Domestic Credit	197.7	201.4	213.4	198.2	206.9	219.1	222.9	223.1	235.9	216.9
Government (Net)	95.0	92.4	100.9	80.5	89.3	102.3	104.1	99.6	112.4	90.6
Private Sector	95.9	102.2	106.0	111.3	110.7	110.4	112.4	117.0	118.4	121.6
Other Pub. Sector (net)	6.8	6.8	6.6	6.4	6.9	6.4	6.5	6.5	5.1	4.7
Other Items (Net)	-38.4	-33.7	-35.4	-32.7	-43.4	-44.0	-38.7	-36.0	-41.6	-33.4
Annual M2 growth	19.5	13.5	21.6	12.8	9.2	9.7	9.6	12.7	14.3	17.8
Monthly M2 growth	3.6	1.1	5.5	-2.1	-1.4	4.4	6.0	1.2	1.4	3.8
Reserve Money	50.6	52.8	57.0	53.9	55.4	58.6	56.4	62.4	59.6	57.4
Money Multiplier	3.3	3.2	3.1	3.3	3.1	3.1	3.4	3.1	3.3	3.6

*Source: Reserve Bank of Malawi*  
*1/ Exclude encumbered reserves at RBM*

### 3.3 Other Financial Institutions (OFIs)

Reflecting a decrease in assets and liabilities of OFIs, total resources available to OFIs in December, 2010 stood at K41.0 billion, a decrease of K1.8 billion. This development was partly explained by a drop in liabilities to other domestic banks of K1.0 billion to K2.3 billion. Private sector deposits with OFIs went down by K699.7 million to K27.8 billion. Official sector deposits, similarly decreased by K275.4 million to K2.7 billion, whilst liabilities to non residents marginally declined by K0.2 million to K17.4 million during the month under review. Notwithstanding these developments, capital account liabilities and all other unsectored liabilities registered increases of K140.0 million and K26.8 million, to respective amounts of K5.2 billion and K2.8 billion as at end-December, 2010.

Following a drop in major sources of funds, OFIs' activities also decreased during the month of December, 2010. This was mainly observed in OFIs' miscellaneous assets, which significantly went down by K2.3 billion to K4.9 billion. OFIs' claims on the Reserve Bank of Malawi also declined by K2.1 billion to K2.2 billion. Nevertheless, OFIs increased their investments in government securities and also availed some funds to the private sector during the month under review. Loans extended to the private sector rose by K1.6 billion to K23.2 billion. Similarly, OFIs increased financing to central government as indicated by an increase of K774.8 million to K6.1 billion in holdings of Treasury Bills. External position of OFIs improved as balances with banks abroad increased by K185.4 million to K612.1 million.

### 3.4. Discount Houses

Total resources of discount houses expanded by K447.6 million to K6.0 billion during the month of December, 2010 compared to a decrease of K20.6 million recorded in the

preceding month. This development was mainly due to an increase in interbank borrowing of K402.0 million to K3.4 billion. REPO transactions with the general public also rose by K217.4 million to K1.7 billion. Notwithstanding these developments, capital account liabilities decreased by K171.8 million to K921.6 million on account of decline in profits.

Following increased resources, discount houses increased their activities during the month of December, 2010. Interbank placements with Authorised Dealer Banks increased by K426.5 million to K741.5 million. Discount houses used their some of their resources to finance government activities as holdings of Treasury bills increased by K425.5 million to K2.4 billion. Investments in Local Registered Stocks and commercial papers increased by K136.8 million and K3.2 million, to respective amounts of K481.8 million and K926.4 million. Meanwhile, discount houses' balances with the Reserve Bank of Malawi dropped by K77.7 million to K33.1 million. Balances with Authorised Dealer Banks(ADB), similarly, decreased by K21.6 million to K60.7 million. Reverse repos also registered a drop of K363.1 million to K784.0 million. Investments in fixed assets, likewise, decreased by K3.6 million to K74.2 million by end-December, 2010.

**Table 2: Interest Rate Structure**

	2010									
	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Bank Rate	15.00	15.00	15.00	15.00	15.00	13.00	13.00	13.00	13.0	13.0
Base Rate	19.25	19.25	19.25	19.25	19.25	17.75	17.75	17.75	17.75	17.75
Savings Rate	3.33	3.33	3.33	3.33	3.33	3.75	3.75	3.75	3.75	3.75
Inter-bank rate										
Minimum	4.00	4.00	13.80	13.83	14.28	14.28	2.00	3.20	3.50	4.50
Maximum	14.50	14.50	15.00	16.6	16.60	13.00	7.90	7.00	8.75	12.00
Treasury bills Yields										
91 Days	7.34	7.25	7.04	7.23	7.50	7.51	7.14	7.01	6.93	6.20
182 Days	11.08	11.12	10.66	11.34	11.63	11.39	9.75	7.83	7.20	7.15
273 Days	10.21	11.50	10.75	11.93	12.48	12.38	10.47	8.90	7.78	7.39
Government Bonds	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Mortgage (min)	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00

*Source: Reserve Bank of Malawi*

### 3.5 Interest Rates

The Bank rate, commercial bank's lending and average savings rates closed off the year 2010 at 13.0 percent, 17.7 percent and 4.1 percent, respectively. Meanwhile, the interbank rate moved upwards while Treasury bills yields for all tenors moved downwards slightly.

### 3.6 Money Market

#### 3.6.1 Government Securities Market

In December 2010 total subscriptions received at the primary desk amounted to K5.5 billion. The subscriptions were down by 35.3 percent from K8.5 billion in November 2010. The subscriptions were also below the roll-over target for the month by K11.1 billion representing a 67.7 percent drop. The decrease in subscriptions was due to the fact that more funds were being employed into agricultural production for the 2010/11 growing season.

A total of K2.7 billion Treasury bills were issued in the month under review. All were issued at the primary auctions. There were no conversions from Ways and Means advances. In December 2010, total issues were 83.1 percent lower than the amount issued in November 2010. During the same period, a total of K16.4 billion matured comprising K5.5 billion normal maturities and K10.9 billion OMO Treasury bills. The foregoing developments resulted in net maturities of K13.7 billion. Hence the Treasury bill stock decreased to K130.6 billion with cost value of K120.7 billion from K144.2 billion at a cost value of K133.3 billion in November 2010.

**Table 3: Treasury Bills Primary Market**

<i>(In billion Malawi Kwacha)</i>										
	2010									
	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Total subscription	11.2	9.5	6.0	7.1	7.7	12.4	31.2	17.4	8.5	5.5
Issues	20.5	13.5	39.2	16.3	14.3	16.1	13.6	14.4	16.0	2.7
Maturities	33.0	17.1	27.2	21.2	17.4	9.7	12.2	15.3	10.6	16.4
Normal Treasury bills	12.0	6.0	10.5	11.2	11.9	9.7	12.2	5.6	5.2	5.5
OMO Stock	21.0	11.1	16.7	10.0	5.5	-	-	9.7	5.4	10.9
Net Issues(+)/maturities(-)	-12.5	-3.6	12.0	-4.8	-3.1	6.4	1.4	(0.9)	5.4	(13.7)
Conversions (period total)	10.9	6.0	33.3	9.9	6.6	6.6	-	10.2	10.6	0.0
T-bill debt stock at cost value	121.1	118.1	129.3	125.0	122.0	127.7	128.8	128.1	133.3	120.7

Source: Reserve Bank of Malawi

### 3.6.2 Domestic Debt Stock

Total domestic debt stock decreased by 8.4 percent to K154.7 billion in December 2010 from K168.8 billion in November 2010. This was mainly due to a 9.5 percent decrease in Treasury bills, the major component of domestic debt. The major holder of Treasury bills, Reserve Bank of Malawi reduced its holdings by 14.8 percent. Discount houses and the non-banks sectors also reduced their holdings by 13.2 percent and 4.1 percent, respectively. Furthermore, there were no outstanding Ways and Means advances and no issues of Local Registered Stocks (LRS) during the month under review. A total of K0.05 billion LRS were redeemed on 31 December 2010; however the overall outstanding stock remained at K3.4 billion. Treasury notes held by the Reserve Bank remained at K30.6 billion.

The Reserve Bank remained the largest holder of Treasury Bills with 60.5 percent of total Treasury bill holdings, followed by commercial banks with 22.0 percent. The non-bank sector held 13.7 percent, while discount houses held 3.8 percent of the total portfolio. Treasury bill holdings by the Reserve Bank, Discount Houses and the Non-banks sector decreased to K73.0 billion (from K85.7 billion), K4.6 billion (from K5.3 billion) and K16.5 billion (from K17.2 billion) respectively. On the other hand, commercial banks increased their holdings to K26.6 billion in December 2010 from K25.1 billion in November 2010. With no holding in December, the foreign sector remained dormant on the Treasury bill primary market.

**Table 4: Domestic Debt Holdings by Sector (Cost Values)**

<i>(in billion of Malawi kwacha)</i>									
	2010								
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>Total Domestic Debt Stock</b>	<b>160.8</b>	<b>166.3</b>	<b>159.1</b>	<b>156.1</b>	<b>166.3</b>	<b>162.9</b>	<b>162.2</b>	<b>168.8</b>	<b>154.7</b>
<b>Total Treasury bills Stock</b>	<b>118.1</b>	<b>129.3</b>	<b>125.0</b>	<b>122.0</b>	<b>127.7</b>	<b>128.8</b>	<b>128.1</b>	<b>133.3</b>	<b>120.7</b>
Residents									
Reserve Bank	59.5	74.7	74.5	75	81	80.2	80.1	85.7	73.0
Commercial Banks	26.3	24.5	23.0	21.9	21.7	22.9	22.7	25.1	26.6
Discount Houses	7.2	6.2	5.0	3.4	3.3	5.2	5.4	5.3	4.6
Other Residents	24.4	23.2	22.5	21.7	21.7	20.5	19.9	17.2	16.5
Non-residents	0.7	0.7	-	-	-	-	-	-	-
<b>Total Local Registered Stocks</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.4</b>	<b>3.4</b>
Reserve Bank	-	-	-	-	-	-	-	-	-
Commercial Banks	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Discount Houses	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.8
Non Banks	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Holdings of Treasury Notes by RBM</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>	<b>30.6</b>
<b>Ways and Means advances</b>	<b>8.6</b>	<b>2.9</b>	<b>-</b>	<b>-</b>	<b>4.5</b>	<b>-</b>	<b>-</b>	<b>1.5-</b>	<b>0.0</b>

*Source: Reserve Bank of Malawi*

### 3.6.3 Treasury Bill Yields

In December 2010, Treasury bill yields for all tenors declined, pushing the all-type yield down by 40 basis points to 6.9 percent. The average yield for the 91 day tenor decreased by 73 basis points to 6.2 percent from 6.9 percent in November 2010. The 182 day yield went down by 8 basis points to 7.1 percent from 7.2 percent, while the 273 day yield fell by 39 basis points to close at 7.4 percent from 7.8 percent in November 2010.

## 3.7. Banking System Liquidity Position

### 3.7.1 Inter-bank Money Market

The banking system during the month of December 2010 was fairly liquid despite contracting towards the end of the month as the Bank intensified efforts to mop up liquidity and government operations stepped up revenue collections. Most banks were able to fund their short positions from the inter-bank market although a few sought recourse from the Bank. Reflecting prevailing conditions at the end of the month, the interbank market rate closed high at 10.6 percent.

**Table 5: Banking System Liquidity***(in billion of Malawi kwacha)*

	2010											
	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
Total Reserves	21.1	22.2	21.8	21.7	21.78	21.63	23.62	25.13	27.9	28.81	30.2	
Required Reserves	21.3	21.2	21.6	21.7	22.4	22.2	22.4	23.9	25.1	26.4	27.3	
Excess Reserves	-0.2	1.0	0.2	0.7	-0.58	-0.58	1.20	1.28	2.82	2.4	2.9	
Inter-bank Market Activity	2.1	2.2	1.8	2.1	2.78	2.25	3.36	3.52	3.02	2.8	3.1	
Discount Window Borrowing	1.2	2.4	3.1	3.6	3.66	4.46	2.71	-	1.57	2.8	1.4	
Average Inter-bank Market Rate	10.10	12.90	14.50	14.37	14.78	14.73	6.07	4.27	5.86	4.85	10.6	

*Source: Reserve Bank of Malawi***Table 6: Liquidity Management<sup>2</sup>***(in billion of Malawi kwacha)*

	September	October	November	Dec
	2010	2010	2010	2010
Net Government Operations <sup>3</sup>	5.86	0.04	10.23	-8.83
Government deficit excluding grants	4.13	0.07	10.14	-11.71
Revenue	18.31	19.50	16.33	34.83
MRA	14.14	15.60	12.35	22.83
Other, excluding grants	4.17	3.90	3.98	12.00
Expenditure	22.44	19.57	26.47	23.12
Net Government Domestic Borrowing	1.73	-0.03	0.09	2.83
TB issues	10.37	5.61	5.12	2.06
TB maturity	12.10	5.58	5.21	4.91
Net Forex Operations	-1.32	-3.36	-4.84	-0.27
Sales	3.39	6.07	5.45	0.48
Purchases	2.07	2.71	0.61	0.21
Net OMO	-4.26	4.92	-6.36	0.61
Injections	5.62	11.73	4.82	26.36
Purchase of securities	0.00	0.00	0.00	0.00
Discount window accommodation	0.00	7.86	2.82	10.01
Repo maturities	5.62	3.87	2.00	16.35
Withdrawals	9.88	6.81	11.18	25.75
Sale of securities	0.84	0.00	0.00	2.15
Maturing Discount window accommodation	0.13	1.24	9.15	10.96
Repos	8.91	5.57	2.03	12.65
Net Operations	0.28	1.60	-0.96	-8.52

*Source: Reserve Bank of Malawi*<sup>2</sup> Under net government operations, supply of liquidity is positive whereas withdraw of liquidity is negative.<sup>3</sup> A positive position implies injection while a negative position is withdraw of funds

### 3.7.2 Open Market Operations

Monetary operations in December 2010 aimed at removing excess liquidity from the money markets. As such, the Bank withdrew K12.7 billion through repo auctions and sold to the market securities amounting to K2.1 billion. At the same time, net government operations removed K8.8 billion from the financial system owing to increased revenue collections in the review period. Overall, K8.5 billion was withdrawn from the financial system.

### 3.8 Capital Markets

There was no new stock listed on the local bourse during the review period. As a result the number of counters on the Stock Exchange remained at fifteen (15).

During the review period, a total of 20.3 million shares valued at K99.6 million were transacted compared to 10.4 million shares valued at K75.0 million transacted in the preceding period. The Malawi All Share Index (MASI) closed off higher at 4,953.1 points from 4,917.2 points due to an increase in the Domestic Share Index (DSI) from 3,894.0 to 3,922.6 points while the Foreign Share Index (FSI) remained steady at 351.9 points. During the corresponding period last year, MASI stood at 5,155.0 points while the DSI stood at 4,087.2 points. Total Market capitalisation<sup>4</sup> (TMC) closed off at K1,278.5 billion compared to K1,277.0 billion recorded in the preceding month. The Domestic market capitalisation<sup>5</sup> (Domcap) closed off at K205.5 billion from K204.0 billion recorded in the preceding month. During the same period last year, total market capitalisation stood at K1,172.5 billion while domestic market capitalisation closed off at K214.1 billion.

## 4.0 CENTRAL GOVERNMENT BUDGETARY OPERATIONS

Central government budgetary operations during the month of December, 2010 improved substantially and resulted in a surplus of K22.6 billion following a deficit of K10.6 billion recorded in the month of November, 2010. This outturn was explained by increases in domestic revenues as well as foreign receipts coupled with a decrease in expenditures. The surplus was used to retire part of government's domestic debt.

### 4.1 Revenues

Government revenues during the month under review amounted to K48.2 billion compared K16.1 billion recorded in the preceding month, representing a monthly increase of K32.1 billion. The increase emanated from both foreign grants and domestic revenues recorded during the month.

Domestic revenues increased by K16.0 billion to K31.6 billion following government's intensified efforts to boost its revenue position. The increase emanated from MRA collections which increased by K10.2 billion to K22.6 billion. Furthermore, non-tax revenues amounted to K9.0 billion from K3.2 billion, representing an increase of K5.8 billion. Total foreign grants during the month amounted to K16.7 billion up from K631.9 million in the preceding month following various receipts of budgetary support.

### 4.2 Expenditures

Total government outlays during the month under review decreased by K1.1 billion to K25.6 billion compared to K26.7 billion recorded in November 2010. The decrease was on account of drops of K1.9 billion and K365.3 million in recurrent expenditures and

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<sup>4</sup> Includes Old Mutual plc

<sup>5</sup> Excludes Old Mutual plc

reimbursements to commercial banks, respectively. This was however, partly offset by increases of K459.2 million to K1.4 billion in statutory expenditures, and K722.0 million to K1.6 billion in interest payments. The bulk of the interest payments amounting to K1.2 billion were paid on Treasury bills and represented a monthly increase of K491.4 million. Interest payments on Treasury notes and Ways and Means advances amounted to K328.9 million and K78.3 million, respectively.

**Table 7: Central Government Budgetary Operations***(in billion of Malawi kwacha)*

	2010									
	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Total Revenues	35.7	15.0	17.8	42.3	19.2	16.8	19.4	24.0	16.1	48.2
Domestic Revenues	12.6	12.9	16.0	30.4	15.8	16.0	16.5	17.2	15.5	31.6
MRA Collections	11.5	11.1	13.9	16.8	14.2	14.4	14.1	15.6	12.3	22.6
Departmental Receipts	1.0	1.8	2.1	12.8	0.8	0.8	1.6	0.8	0.6	6.5
Other Receipts	-	-	-	0.8	0.8	0.8	0.8	0.8	2.6	2.5
Grants	23.1	2.1	1.8	11.9	3.5	0.8	2.9	6.8	0.6	16.7
Expenditures	22.9	14.1	24.6	19.8	26.9	26.9	23.0	21.0	26.7	25.6
Other Expenditure	20.4	12.3	22.0	17.9	23.3	26.2	22.3	19.8	25.9	24.0
Interest Payments	2.5	1.8	2.5	1.8	3.6	0.7	0.7	1.2	0.9	1.6
Domestic	2.5	1.6	2.5	1.8	3.6	0.7	0.7	1.1	0.8	1.6
Foreign	-	0.2	-	-	-	-	-	-	0.0	-
Deficit/Surplus	12.8	0.9	-6.8	22.6	-7.7	-10.1	-3.6	3.0	-10.6	22.6
Financing (net)	-10.3	5.6	6.9	-21.4	5.8	15.2	1.0	-5.3	10.7	-22.5
Foreign	-	-0.4	-0.1	2.3	-0.3	-	1.7	-	0.0	-0.3
Domestic	-10.3	5.9	7.0	-23.7	6.1	15.3	-0.5	-5.3	10.7	-22.2
Banking System	-9.1	4.4	8.4	-20.4	8.9	13.9	1.8	-4.4	12.8	-21.9
Ways & Means advances	5.5	3.1	-5.6	-2.9	0.0	4.5	-4.5	-	1.5	-1.5
Non-Bank	-1.2	1.4	-1.4	-3.3	-2.7	1.4	-2.2	-0.8	-2.3	-0.4
Errors and Omissions	2.5	6.5	0.03	1.1	-1.8	5.2	-2.6	-2.3	0.2	-0.08

*Source: Reserve Bank of Malawi*

### 4.3 Financing

During the month of December 2010, central government's budgetary operations improved substantially due to increased foreign inflows as well as domestic revenues, thereby resulting into a surplus of K22.6 billion. Following this, government repaid part of its domestic debt to the tune of K22.2 billion.

## 5.0 PRODUCTION AND PRICES

### 5.1 Tea

Total tea production amounted to 5.7 million kilograms in December 2010, representing a decline of 25.6 percent from 7.6 million kilograms produced in December 2009. The decline was due to unfavourable weather conditions characterised by erratic rainfall in the 2010 season. The volume of tea sold through Limbe market amounted to 255,400 kilograms in December 2010 compared to a total volume of 961,200 kilograms sold in December 2009. The average price of tea stood at US\$1.57 per kilogram realising US\$400,300 in the

month under review compared to the average price of US\$1.73 per kilogram and total realisation of US\$1.6 million fetched in December 2009. The lower average price was attributed to excess supply of tea on the international market.

Cumulative tea sales for 2010 stood at 15.5 million kilograms which is lower than the cumulative volume of 17.3 million kilograms sold in 2009. The lower volume of sales was on account of quite a number of sale cancellations due to excess supply of tea on the international market. The cumulative average price in 2010 was slightly higher at US\$1.54 per kilogram realising US\$23.8 million compared to the average price of US\$1.53 per kilogram and total realisation of US\$26.5 million in 2009.

## 5.2 Sugar

Sugar production stood at 29.7 million kilograms in December 2010 compared to 6.5 million kilograms produced in December 2009. Total volume of sales amounted to 45.8 million kilograms valued at K4.9 billion in the month under review, representing a 40.2 percent increase from a total volume of 32.7 million kilograms sold for K3.8 billion in a corresponding month of the preceding year. Annual sugar production in 2010 amounted to 302 million kilograms compared to 295 million kilograms in 2009. The increase is attributed to scaling up of production capacity at Dwangwa plantation. The total volume of sales in 2010 stood at 222.5 million kilograms which is lower than 301.0 million kilograms sold in the preceding year. Annual average price rose to US\$109.3 per tonne in 2010 from US\$92.7 per tonne in the preceding year.

## 5.3 Domestic Price Developments

Inflation decelerated by a 0.1 percentage point to 6.3 percent in December 2010 from 6.4 percent in November 2010. The development was on account of a deceleration in food inflation. Both rural and urban inflation decelerated by 0.1 and 0.2 percentage points to 5.4 percent and 7.8 percent, respectively. Annual average inflation in 2010 stood at 7.4 percent compared to an annual average of 8.4 percent in 2009. The slowdown was mainly attributed to a deceleration in food inflation to an average of 5.0 percent in 2010 compared to an average of 7.3 percent in the preceding year.

**Table 8: Inflation**

Month	Year-on-year	Month-on-month
December-2009	7.6	3.3
January-2010	7.8	5.6
February-2010	8.2	3.3
March-2010	8.3	-0.3
April-2010	8.1	-2.6
May 2010	7.8	-3.1
June 2010	7.5	-3.6
July 2010	7.3	-1.4
August 2010	7.2	-2.3
September 2010	7.0	5.1
October-2010	6.7	0.3
November 2010	6.4	2.7
December 2010	6.3	3.2
Annual	7.4	0.6

Source: National Statistics Office

Food inflation continued to decelerate and stood at 2.9 percent in December 2010 from 3.2 percent in the preceding month. The decline was attributed to abundant supply of maize stocks on the market following a bumper yield in the 2009/10 season in addition to carry

over stocks from the preceding season. Non-food inflation increased marginally by a 0.1 percentage point from 9.8 percent in November 2010 to 9.9 percent in the month under review. The increase was driven by rising prices in the clothing and footwear, housing, transport and miscellaneous categories.

The consumer price index (CPI) went up by 3.2 percent in December 2010 compared to an increase of 2.7 percent in November 2010. The CPI for food registered a 4.2 percent increase, clothing and footwear, housing and miscellaneous items' prices in the non-food category rose by 2.9 percent, 3.3 percent and 2.9 percent respectively in the month under review.

**Table 9: Selected Economic Indicators**  
(In billion Malawi kwacha unless otherwise stated)

	2005	2006	2007	2008	2009	2009 December	2010 December
<b>Real Sector</b>							
Population (million)	12.3	12.8	13.2	13.1	13.5	13.5	13.8
GDP at current market prices	326.2	396.4	464.5	569.9	664.6	664.6	765.1
Real GDP growth (percent)	3.3	6.7	8.6	8.6	7.5	7.5	7.1
GDP per capita (K'000)	26.7	31.7	36.3	43.5	49.2	49.2	55.3
GDP per capita (US\$)	227.9	239.7	267.9	312.5	343.6	367.6	369.0
Consumer Price Index (CPI) 2000=100	198.5	226.1	244.1	265.4	292.2	300.9	319.8
Average annual inflation rate (percent)	15.4	13.9	8.0	8.7	8.4	7.6	6.3
<b>Fiscal Sector</b>							
<b>Government Budget</b>							
Total Revenue	100.2	128.4	160.8	160.8	169.7	14.8	48.2
Domestic Revenues	74.0	74.3	94.4	126.7	140.5	12.1	31.6
Grants	26.2	54.1	66.4	34.2	29.2	2.7	16.7
Total Expenditure	99.6	131.3	168.6	204.1	222.8	20.0	25.6
Recurrent	77.8	95.7	110.4	190.7	206.3	19.0	24.0
Development	24.0	35.6	58.2	13.4	16.4	1.5	3.1
Deficit/GDP ratio (after grants)	0.0	-1.1	-1.6	-7.8	-8.2	-0.8	3.0
<b>Monetary Sector</b>							
Net Foreign Assets	11.4	23.2	27.7	19.7	-4.5	-2.0	20.4
Net Domestic Credit	52.2	58.9	72.1	158.0	212.9	212.3	216.9
Government	27.7	20.5	21.1	83.9	111.6	111.0	90.6
Statutory bodies	0.3	1.2	3.7	6.0	6.2	6.2	4.7
Private (gross)	24.2	35.8	47.3	68.1	95.0	95.0	121.6
Money Supply (M2)	65.8	76.6	104.9	139.6	173.8	173.8	203.9
M2 Growth Rate (annual percent)	16.2	16.5	36.9	33.1	24.4	23.9	17.8
Reserve Money	20.6	21.5	27.7	36.0	50.1	50.4	57.4
Banks Deposits	6.3	3.5	2.9	5.8	16.9	16.9	17.9
<b>External Sector</b>							
<b>Balance of Payments</b>							
Current Account	-79.2	-92.1	-65.4	-86.0	-110.2	..	..
Exports (fob)	60.3	73.8	111.4	117.0	128.8	..	..
Imports (fob)	119.1	143.5	153.5	183.0	199.5	..	..
Trade balance	-58.9	-69.7	-42.2	-66.0	-70.7	..	..
Services (net)	-29.6	-33.0	-34.1	-39.5	-46.2	..	..
Private transfers (net)	9.2	10.6	10.9	18.5	6.9	..	..
Capital account balance	41.9	38.8	64.6	134.2	109.3	..	..
Gross foreign exchange reserves	21.0	26.4	22.7	40.5	35.5	29.6	56.0
Official	16.2	18.2	16.1	33.2	24.1	18.3	42.2
Commercial banks	4.8	8.2	6.6	7.3	11.4	11.4	13.9
Import cover (Official reserves in months)	2.5	2.1	1.8	2.2	1.9	0.98	2.2
Current account balance/GDP (percent)	-24.3	-23.2	-14.1	-15.5	-16.9	..	..
Debt/GDP (percent)	151.7	8.2	8.2	17.4	..	..	..
Debt Service/Exports (percent)	21.5	8.1	8.1	1.5	..	..	..
MK/US Dollar (eop)	123.781	138.672	138.672	140.600	140.606	145.995	150.801
MK/US Dollar (pd avg)	116.362	136.019	140.000	140.526	140.604	145.215	150.801
<i>Source: Reserve Bank of Malawi</i>							

**Table 10: National Composite Price Index (2000=100)**

Period	All items	Food Costs	Bev & Tobacco	Cloth & Footwear	Housing	House hold ops	Transport ation	Miscella neous
<b>Overall Weight</b>	<b>100.0</b>	<b>58.1</b>	<b>5.9</b>	<b>8.5</b>	<b>12.1</b>	<b>4.1</b>	<b>5.1</b>	<b>6.2</b>
2002	140.8	136.4	136.8	153.6	156.6	144.0	143.9	134.4
2003	154.3	143.7	165.8	166.8	180.0	174.6	172.1	148.3
2004	172.0	154.4	196.5	179.5	211.7	218.3	202.8	169.2
2005	198.5	180.9	240.6	192.8	236.9	268.9	230.1	182.6
2006	226.1	209.1	273.5	208.8	266.9	313.5	261.6	197.5
2007	244.1	224.7	302.6	221.2	291.4	336.2	289.2	211.1
2008	265.4	240.3	331.0	237.7	319.1	383.5	338.9	232.3
2009	287.7	258.0	369.0	259.1	328.3	452.8	380.1	263.1
2010	309.0	271.2	417.2	279.5	350.2	512.1	428.4	287.7
<b>2008</b>								
Jan	267.6	253.4	317.4	232.0	310.6	358.5	311.2	221.2
Feb	276.4	266.4	321.6	232.7	313.4	366.1	316.7	224.1
Mar	275.5	263.6	322.7	233.8	314.8	368.0	319.4	225.2
Apr	269.5	252.6	322.9	234.7	315.3	369.3	319.9	227.8
May	263.0	240.7	322.8	235.8	315.7	374.5	321.5	228.0
Jun	254.9	225.5	323.5	236.1	315.9	375.4	331.2	228.6
Jul	253.0	220.3	325.5	236.8	318.6	377.6	339.3	230.8
Aug	247.8	210.3	330.1	237.1	319.4	380.3	341.1	231.4
Sept	261.6	227.9	340.6	241.0	321.9	402.7	361.2	237.3
Oct	263.7	229.9	344.3	241.6	323.1	405.8	364.5	241.3
Nov	271.8	241.3	349.0	243.1	328.57	408.7	367.6	243.1
Dec	297.7	251.7	352.0	247.7	331.9	414.5	373.6	248.3
<b>2009</b>								
Jan	294.5	274.5	354.1	250.9	335.2	417.7	380.4	253.5
Feb	303.1	289.5	361.5	253.8	328.2	423.8	370.0	259.0
Mar	301.7	286.6	361.9	254.6	328.3	425.6	371.0	259.4
Apr	294.4	273.6	362.8	254.9	328.8	425.8	371.6	260.2
May	285.9	258.6	363.5	256.3	329.2	426.7	371.6	260.2
June	276.4	241.4	366.8	256.8	330.3	427.2	372.7	261.0
July	273.3	235.6	368.6	258.5	321.0	453.9	373.6	261.4
Aug	267.1	224.6	368.7	258.6	321.4	454.7	374.1	261.6
Sept	281.2	242.5	372.3	263.3	326.6	489.7	387.6	265.9
Oct	282.9	244.6	372.3	264.6	326.8	490.3	392.0	268.1
Nov	291.3	256.6	375.6	267.7	329.0	495.9	396.4	272.0
Dec	300.9	268.3	399.8	268.8	334.8	502.2	400.4	274.7
<b>2010</b>								
Jan	317.6	293.0	401.8	274.2	342.5	504.4	408.9	279.5
Feb	328.0	309.2	402.9	274.6	344.2	505.4	420.5	280.2
Mar	326.9	306.0	403.9	275.8	345.9	507.4	424.6	281.9
Apr	318.2	290.9	404.9	275.9	346.1	507.4	424.6	282.2
May	308.3	273.5	407.1	275.6	345.7	507.4	425.2	282.8
June	297.3	254.2	407.8	276.0	346.0	507.7	426.4	283.6
July	293.3	246.5	419.8	275.4	344.2	508.0	426.7	283.8
Aug	286.4	234.5	420.1	275.5	344.4	508.1	426.9	284.3
Sept	300.9	252.4	433.8	285.1	350.2	521.1	438.1	295.5
Oct	301.9	253.2	433.8	285.4	354.3	521.1	438.1	295.8
Nov	310.0	264.9	433.9	286.4	363.4	521.8	438.2	297.0
Dec	319.8	276.1	436.9	294.6	375.3	525.1	442.7	305.7

Source: National Statistical Office

**Table 11: Selected Foreign Exchange Rates**

*(in Malawi kwacha per foreign currency)*

	British pound		US dollar		Euro		Japanese yen		SA rand		Zim dollar	
	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell
2003	158.659	159.921	96.946	97.919	109.864	110.963	0.840	0.845	13.030	13.095	0.518	0.516
2004	198.561	200.556	108.355	109.438	134.970	136.347	1.004	1.006	16.883	17.052	0.035	0.036
2005	214.150	216.301	117.833	118.937	146.415	147.878	1.070	1.084	18.521	18.687	0.010	0.012
2006	249.587	251.887	135.337	136.685	170.111	171.825	1.167	1.181	20.124	20.316	0.230	0.233
2007	278.907	281.686	139.299	140.701	190.921	193.176	1.184	1.196	19.774	19.973	0.385	0.389
2008	259.237	261.841	139.821	141.226	205.617	207.696	1.356	1.371	17.167	17.335	0.992	0.987
2009	219.917	222.050	140.464	141.875	195.728	197.696	1.504	1.520	16.960	17.130	0.000	0.000
2010	231.376	233.293	149.739	151.235	197.897	199.886	1.723	1.740	20.521	20.727	0.000	0.000
<b>2009</b>												
June	231.507	233.834	139.900	141.306	196.882	198.860	1.458	1.473	17.904	18.084	0.000	0.000
July	231.313	233.638	139.901	141.307	197.625	199.611	1.468	1.483	17.991	18.172	0.000	0.000
Aug	227.678	229.967	139.903	141.309	200.285	202.298	1.501	1.516	18.055	18.237	0.000	0.000
Sept	223.244	225.487	139.903	141.309	203.993	206.043	1.551	1.567	18.893	19.083	0.000	0.000
Oct	232.094	234.426	140.230	141.639	208.002	210.093	1.532	1.547	18.190	18.373	0.000	0.000
Nov	235.692	238.061	142.464	143.895	213.866	216.016	1.635	1.651	19.213	19.406	0.000	0.000
Dec	233.325	235.700	145.265	146.725	208.296	210.389	1.573	1.588	19.668	19.866	0.000	0.000
<b>2010</b>												
Jan	240.842	243.262	149.257	150.757	208.557	210.653	1.663	1.680	19.568	19.765	0.000	0.000
Feb	228.641	230.940	150.047	151.555	202.923	204.963	1.687	1.704	19.141	19.334	0.000	0.000
Mar	226.121	228.393	150.047	151.555	201.393	203.417	1.617	1.633	20.322	20.526	0.000	0.000
Apr	229.962	232.273	150.047	151.555	198.3619	200.356	1.595	1.611	20.407	20.612	0.000	0.000
May	216.922	219.102	150.046	151.554	183.957	185.806	1.647	1.664	19.740	19.938	0.000	0.000
June	226.360	228.635	150.046	151.555	183.192	185.033	1.694	1.711	19.575	19.772	0.000	0.000
July	234.088	236.441	150.047	150.8001	196.261	198.234	1.730	1.747	20.426	20.632	0.000	0.000
Aug	232.152	234.485	150.046	151.554	190.244	192.156	1.771	1.789	20.439	20.644	0.000	0.000
Sept	237.014	239.396	150.047	151.555	204.514	206.569	1.794	1.812	21.518	21.734	0.000	0.000
Oct	239.265	241.669	150.047	151.555	209.015	211.116	1.852	1.870	21.410	21.625	0.000	0.000
Nov	233.668	236.016	150.047	151.555	196.936	198.916	1.781	1.799	21.097	21.309	0.000	0.000
Dec	231.477	233.804	150.047	151.555	199.412	201.414	1.840	1.860	22.605	22.832	0.000	0.000

Source: Reserve Bank of Malawi

<sup>1</sup>Annual data reflects period average while monthly data is as at end period

**Table 12: Malawi All Share Index (1999=100)**

Period	INDICES			RETURN		SHARE TURNOVER		CAPITALISATION
	Domestic Share Index	Foreign Share Index	All share Index	Dividend Yield (%)	Earnings per Share (in Kwacha)	Volume of shares traded	Value MK'000	(in million Kwacha)
2003	229.6	188.5	457.3	11.4	..	181,801,331	821,021.9	584,060.4
2004	426.0	238.8	583.5	9.4	..	110,425,979	654,230.5	745,267.3
2005	687.0	358.2	906.9	6.6	..	61,675,167	914,815.5	1,120,358.5
2006	1,793.4	521.6	2,310.0	2.6	11.8	160,529,550	1,072,280.9	1,672,122.8
2007	3,823.5	521.6	4,849.8	2.6	10.6	355,947,750	5,154,583.8	1,769,225.7
2008	4,806.9	521.6	6,080.4	2.6	5.7	37,521,871	3,398,707.6	1,838,831.8
2009	4,087.2	314.2	5,155.0	4.2	5.8	188,605,361	433,653,252.2	1,172,148.1
2010	3,922.6	351.9	4,953.1	3.9	5.9	20,250,834	99,583,102.77	1,278,529.23
<b>2009</b>								
Jan	4531.8	521.6	5735.8	2.6	5.7	9195797	22040427.6	1824606.7
Feb	4,061.9	521.6	5,147.3	2.7	5.7	141,622,425	453,286,608.7	1,800,312.3
Mar	3,954.0	251.4	4,981.0	5.0	5.7	38,994,578	231,983,951.0	970,838.6
April	3,954.0	251.4	4,981.0	5.0	5.8	12,762,321	184,896,892.0	970,838.6
May	3,931.6	207.4	4,947.9	5.8	5.8	20,068,636	147,661,986.5	836,709.0
June	3,934.9	207.4	4,952.1	5.8	5.8	76,136,327	237,385,933.5	835,732.4
July	3,934.9	226.2	4,954.3	5.4	5.8	11,035,059	144,404,391.0	893,757.4
Aug	3,934.9	226.2	4,954.3	5.4	5.8	12,422,083	120,567,761.9	894,931.8
Sept	3,925.2	226.2	4,942.1	5.4	5.8	4,578,167	103,517,698.0	894,424.4
Oct	4,032.1	251.4	5,078.9	5.0	5.8	13,716,079	185,794,825.3	977,661.0
Nov	4,079.0	263.9	5,139.0	4.8	5.8	55,792,081	458,953,351.6	1,018,439.0
Dec	4,087.2	314.2	5,155.0	4.2	5.8	188,605,361	433,653,252.2	1,172,148.1
<b>2010</b>								
Jan	4,087.2	314.2	5,155.0	4.2	5.8	7,406,357	92,482,457.4	1,172,148.1
Feb	4,027.3	314.2	5,155.1	4.2	5.8	18,981,461	264,821,558.8	1,172,154.5
Mar	3,929.5	314.2	4,957.4	4.3	5.8	41,879,101	255,344,340.8	1,163,884.9
Apr	3,861.1	314.2	4,871.7	4.3	5.8	25,957,403	190,381,908.25	1,160,300.3
May	3,836.4	314.2	4,840.8	4.3	5.9	5,655,749	87,239,295.00	1,159,006.7
June	3,844.5	314.2	4,851.0	4.3	5.9	38,548,182	368,160,675.30	1,159,433.4
July	3,899.6	314.2	4,920.0	4.3	5.9	26,014,091	191,120,202.78	1,162,320.5
Aug	3,903.3	321.8	4,925.5	4.2	5.9	12,605,998	85,383,846.54	1,185,509.3
Sept	3,909.1	321.8	4,932.7	4.2	5.9	24,718,949	133,588,921.79	1,185,808.3
Oct	3,881.0	333.6	4,898.8	4.1	5.9	9,785,782	68,720,918.00	1,218,823.86
Nov	3,894.0	351.9	4,917.2	3.9	5.9	10,413,718	75,015,019.25	1,276,987.68
Dec	3,922.6	351.9	4,953.1	3.9	5.9	20,250,834	99,583,102.77	1,278,529.23

Source: Malawi Stock Exchange