



**Reserve Bank of Malawi**

***Monthly  
Economic  
Review***

**June, 2013**

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**General Notes**

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## **1.0 HIGHLIGHTS**

### **1.1 Gross Official Reserves**

Gross official reserves improved to US\$449.8 million in June 2013 from US\$376.0 million recorded in May 2013. Subsequently, the country's prospective import cover improved to 2.4 months during the month under review from 2.0 months recorded in the preceding month. The increase in reserves was partly explained by balance of payments support inflows. Gross reserves of the entire banking system stood at 3.5 months of import cover during the month of June.

### **1.2 Exchange Rates**

The Malawi kwacha depreciated against major foreign currencies in June 2013, after steadily appreciating since April 2013. The depreciation was largely explained by relatively low volumes of tobacco sales during the review month compared to the previous month.

### **1.3 Money Supply**

Broad money supply (M2) grew by K13.7 billion (3.2 percent) to K448.3 billion from K434.6 billion recorded in May 2013. The outturn was explained by a K28.7 billion accumulation of net foreign assets that was partly offset by a K15.0 billion decrease in net domestic assets.

### **1.4 Interest Rates**

In June 2013 the Bank rate remained at 25.00 percent, where it has been since December 2012. Similarly, no movements were observed on the commercial banks' average lending and savings rates. Movements were however observed in the average interbank rate and the all-type Treasury bills yield.

### **1.5 Inflation**

Price pressures continued to abate during the month of June 2013 as headline inflation slowed down by 3.1 percentage points to 27.9 percent from 31.0 percent in May 2013. Urban inflation fell to 37.2 percent in the review month from 39.4 percent in the preceding month. Similarly, rural inflation for June 2013 dropped to 26.5 percent from 29.6 percent recorded in May 2013.

## 2.0 EXTERNAL SECTOR

### 2.1 Foreign Exchange Reserves

Gross official reserves increased to US\$449.8 million in June 2013 from US\$376.0 million recorded in May 2013. This was sufficient to finance 2.4 months of prospective imports compared to 2.0 months of import cover in the preceding month.

Sources of foreign exchange stood at US\$109.9 million in June 2013 compared to US\$211.0 million realised in the preceding month. The decrease in the sources was largely due to a decrease in purchases from Authorised Dealer Banks (ADB) to US\$25.3 million in June 2013 from US\$114.5 million in the preceding month reflecting a slowdown in tobacco sales as the crop's off-season approaches. This notwithstanding, inflows from our development partners amounted to US\$83.5 million in June 2013. The external inflows comprised: US\$63.4 million balance of payments grants (BoP) and US\$20.1 million projects funds. BoP inflows included: US\$50.6 million from the World Bank's International Development Association (IDA), US\$6.6 million (€5.0 million) from Germany and US\$6.1 million from African Development Bank. The projects funds mainly consisted of US\$10.5 million from European Union for rural infrastructure development, US\$4.5 million from Australian Development Agency for National Water Development Programme and US\$6.1 million miscellaneous projects funds.

Uses of foreign exchange amounted to US\$37.1 million in June 2013 compared to US\$40.9 registered in the preceding month. The outlays comprised US\$14.6 million sales of foreign exchange to the market, US\$11.4 million payments for the Reserve Bank of Malawi (RBM) operations and US\$11.0 million government foreign payments.

### 2.2 The Malawi Kwacha Exchange Rate

The Malawi kwacha depreciated against major foreign currencies in June 2013. This was explained by a decline in volume of tobacco sales as the country is heading towards the end of the selling season.

The Malawi kwacha depreciated by 1.9 percent against the United States dollar in June 2013, after appreciating by 17.0 percent in May 2013. The kwacha traded at K335.52 per US dollar as at the end of June 2013 from K329.15 per dollar in the preceding month. The Malawi kwacha traded at K511.97 per pound sterling in June 2013, representing a monthly depreciation of 2.1 percent compared to an appreciation of 18.5 percent recorded in May 2013. Likewise, the local

currency weakened by 1.8 percent against the euro from an appreciation of 17.3 percent in the preceding month and traded at K437.45 per euro as at end-June 2013 from K429.54 per euro in May 2013. Against the Japanese yen, the kwacha depreciated by 3.9 percent in June 2013 from an appreciation of 19.5 percent in the previous month. Subsequently, the kwacha traded at K3.39 per yen as at end of the review month from K3.27 per yen in the previous month.

Within the region, there was a mixed outturn as the kwacha appreciated against some currencies and lost some ground against other currencies. In particular, the Malawi kwacha depreciated by 2.9 percent against the South African rand and traded at K33.74 per South African rand at the end of the month under review from K32.78 per rand in the preceding month. On the contrary, the kwacha appreciated albeit marginally by 0.8 percent and traded at K61.28 per Zambian kwacha as at end-June 2013 from K61.75 per Zambian kwacha as at end May 2013.

**Table 1: Selected Foreign Exchange Rates\***

	MK/USD	Rate	MK/Pound	Rate	MK/Rand	Rate
June 2012	272.3771	1.1	422.7020	1.3	32.4170	2.6
July 2012	275.2305	1.0	432.3871	2.3	33.5610	3.5
August 2012	281.0029	2.1	443.5631	2.6	33.1540	-1.2
September 2012	298.9713	6.4	485.3799	9.4	36.3156	9.5
October 2012	314.3319	5.1	505.2257	4.1	36.3381	0.1
November 2012	326.0652	3.7	523.0412	3.5	37.0908	2.1
December 2012	335.1267	2.8	541.9334	3.6	39.5080	6.5
January 2013	352.6089	5.2	557.1573	2.8	39.0223	-1.2
February 2013	377.5009	7.1	572.2537	2.7	42.8147	9.7
March 2013	405.1815	7.3	619.1700	7.1	43.7462	2.2
April 2013	396.7192	-2.1	614.9148	0.3	44.1059	0.8
May 2013	329.1508	-17.0	501.3625	-19.2	32.7824	-25.7
June 2013	335.5225	1.9	511.9738	2.1	33.7402	2.9

Source: Reserve Bank of Malawi (\* - means depreciation & + means depreciation)

### **3.0 BANKING AND FINANCE**

#### **3.1 Monetary Developments**

In June 2013, broad money supply (M2) grew by K13.7 billion (3.2 percent) to K448.3 billion from K434.6 billion recorded in May 2013. The development was attributed to a K28.7 billion accumulation of net foreign assets, which reflected the receipt of government's budgetary support as well as proceeds from tobacco sales. Meanwhile, net domestic assets declined by K15.0 billion during the month under review.

On the demand side, the expansion in M2 was explained by increases in both narrow money and quasi money. Narrow money (M1) rose to K274.5 billion in June 2013 from K264.8 billion recorded in the previous month. Currency in circulation accounted for K8.4 billion of the K9.7 billion increase in M1, which was complemented by a K1.3 billion rise in demand deposits. These developments were reflective of the persistence of the transactional demand for money balances as marketing of agricultural produce was still in progress.

Concurrently, quasi money expanded to K173.8 billion in June 2013 from K169.8 billion in May 2013. The outturn was attributed to term (time and savings) deposits that rose by K6.1 billion. The increase in term deposits was driven largely by the precautionary motive for holding money. Meanwhile, foreign currency denominated (FCD) deposits dropped by K2.1 billion mainly due to settlement of tobacco proceeds by tobacco merchants.

#### **3.2 Net Domestic Credit**

Net domestic credit totalled K401.5 billion as of end-June 2013 compared to K371.3 billion recorded in May 2013. The increase was on account of net credit to government and credit extended to the private sector, which recorded monthly increases of K22.4 billion and K8.6 billion, respectively. Credit to the parastatals however dropped by K852.9 million in June 2013.

Net credit to government rose to K151.9 billion in June 2013 from K129.5 billion recorded in May 2013. The increase emanated largely from net lending from the monetary authorities which increased by K23.8 billion but was somewhat offset by a K1.4 billion reduction in net borrowing from the commercial banks.

The monetary authorities' net claims on the central government grew to K109.7 billion in June 2013, from K85.9 billion registered in May 2013. The increase was largely on account of uptake of Ways and Means advances and issuance of promissory notes. These expansionary effects were however partly counteracted by a K11.3 billion maturity of OMO Treasury bills.



Government's net borrowing from the commercial banks dropped to K42.2 billion in June 2013 from K43.6 billion recorded in the previous month. The decrease represented the net effect of a K2.3 billion Treasury bills maturity and K988.6 million drop in government deposits at the commercial banks.

In June 2013, credit to the private sector rose by K8.6 billion to K231.8 billion from K223.2 billion recorded in May 2013. The upsurge was observed across all sectors except for personal loans that dropped due to tight lending conditions. Loans to the commercial and industrial sector grew by K5.3 billion, the bulk of which was for working capital purposes. Foreign currency denominated loans increased by K3.0 billion while credit extended to the agriculture sector increased by K2.6 billion during the month under review.

**Table 2: Money Supply and Its Sources (in Billions of Malawi Kwacha)**

	2012					2013					
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Money Supply (M2)	346.2	350.3	366.4	371.7	386.4	383.1	376.0	397.3	422.7	434.6	448.3
Narrow money (M1)	198.8	199.3	206.3	207.9	222.4	224.4	221.4	233.6	262.5	264.8	274.5
Quasi-money	147.4	150.9	160.1	163.8	164.1	158.7	154.6	163.7	160.3	169.8	173.8
Net Foreign Assets/1	16.6	10.4	7.1	12.1	31.4	19.3	7.3	23.6	27.1	80.3	109.0
Net Domestic Assets	329.7	339.9	359.3	359.6	355.0	363.8	368.7	373.7	395.7	354.3	339.3
Net Domestic Credit	356.7	354.2	361.2	368.5	378.8	392.2	378.5	401.2	404.1	371.3	401.5
Government (Net)	130.6	126.7	134.0	149.3	140.6	155.4	160.3	153.2	154.4	129.5	151.9
Private Sector	208.6	209.2	208.2	200.4	218.9	217.0	216.7	229.1	231.1	223.2	231.8
Other Pub. Sector (net)	17.5	18.2	19.1	18.8	19.4	19.7	19.9	19.0	18.6	18.6	17.8
Other Items (Net)	-27.0	-14.3	-1.9	-8.9	-23.8	-28.4	-28.2	-27.5	-8.4	-17.0	-62.2
Annual M2 growth	22.4	19.9	22.7	18.0	22.9	25.4	25.1	25.8	33.0	26.3	25.7
Monthly M2 growth	-1.3	1.2	4.6	1.5	4.0	-0.9	-1.9	5.7	6.4	2.8	3.2
Reserve Money	106.8	95.7	111.3	122.3	113.2	110.8	104.6	99.9	121.8	134.3	126.6
Money Multiplier	3.2	3.7	3.3	3.0	3.4	3.5	3.6	4.0	3.5	3.2	3.5

Source: Reserve Bank of Malawi

/1Excludes encumbered reserves at RBM

## 4.0 CENTRAL GOVERNMENT BUDGETARY OPERATIONS

Central government budgetary operations during the month of June 2013 resulted into a surplus of K23.1 billion following another surplus of K19.9 billion recorded in May 2013. This outturn was attributed to increased revenue collections mainly through taxes and foreign budgetary support grants; and reduced expenditures during the review month. The surplus was used to repay part of government debt.

### 4.1 Revenues

During the month of June 2013, central government revenues amounted to K59.8 billion, compared to K61.3 billion that was collected during May 2013. Domestic revenues amounted to K31.8 billion, representing a K1.0 billion increase from K30.8 billion recorded in the preceding month. Of the total domestic revenues, K29.4 billion were tax receipts whilst non-tax revenues amounted to K2.4 billion. Government resource envelope was also enhanced by foreign budgetary support grants that amounted to K28.0 billion.

### 4.2 Expenditures

Total government expenditures during the month of June 2013 declined by K4.7 billion to K36.7 billion from K41.4 billion registered in May 2013. This outturn was mainly explained by K5.6 billion drop to K30.3 billion in recurrent expenditures. Interest payments however rose by K1.2 billion to K6.0 billion in June 2013, from K4.8 billion recorded in May 2013. Of the total interest payments K4.5 billion was on Treasury bills; K1.0 billion on Ways and Means advances; K0.4 billion on foreign debt; and K0.1 billion on Promissory notes.

**Table 3: Central Government Budgetary Operations** (in billions of Malawi Kwacha)

	2012					2013					
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Total Revenues	53.1	24.6	44.3	31.8	41.2	34.7	23.3	28.1	38.9	61.3	59.8
Domestic Revenues	36.8	16.6	33.2	24.3	30.1	28.2	21.0	24.6	35.0	30.8	31.8
Tax Revenue	34.9	15.3	27.2	21.3	21.3	22.3	16.9	21.4	31.7	28.0	29.4
Non Tax revenue	1.9	1.3	5.9	3.0	8.8	5.9	4.1	3.1	3.3	2.8	2.4
Departmental Receipts	1.0	0.8	1.0	1.0	2.9	0.9	0.5	1.0	2.0	1.8	0.9
Other Receipts	0.9	0.4	5.0	2.0	6.0	5.0	3.7	2.1	1.4	1.0	1.5
Grants	16.2	8.0	11.1	7.4	11.1	6.5	2.3	3.2	3.9	30.4	28.0
Expenditures	43.1	27.7	38.9	57.2	43.6	50.5	31.1	29.5	40.1	41.4	36.7
Recurrent Expenditure	38.8	26.5	38.0	56.4	40.0	35.0	27.9	26.3	36.6	35.9	30.3
Interest Payments	4.3	0.8	0.5	0.5	1.7	3.9	2.6	2.4	3.1	4.8	6.0
Domestic	4.2	0.2	0.2	0.3	1.3	3.5	2.6	2.3	1.8	4.4	5.6
Foreign	0.1	0.5	0.3	0.2	0.4	0.4	0.1	0.1	1.2	0.4	0.4
Other expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.9	0.5	0.7	0.4
Deficit/Surplus	10.0	-3.1	5.4	-25.4	-2.4	-15.8	-7.8	-1.4	-1.2	19.9	23.1
Financing (net)	-51.3	-2.3	3.4	20.3	-17.2	17.5	9.2	2.6	2.4	-17.6	11.2
Foreign	-0.1	0.0	-0.6	-0.9	-1.0	-0.2	-0.1	-0.2	-1.3	-0.4	-0.3
Domestic	-7.6	-2.0	6.1	22.4	-4.5	12.1	9.3	2.8	3.7	-17.3	11.5
Banking System	-5.5	-3.9	7.2	15.3	-8.7	14.8	4.8	-2.4	1.4	-24.9	22.4
Non-Bank Sector	-2.1	1.9	-1.1	7.2	4.2	-2.7	4.5	5.2	2.3	7.7	-10.9
Errors and Omissions	2.2	-5.1	10.9	-3.9	-7.9	-3.9	1.4	1.2	1.2	2.2	34.2

Source: Reserve Bank of Malawi

## 5.0 MONEY AND SECURITIES MARKET

### 5.1 Open Market Operations

Open market operations during the month of June 2013 were contractionary as net OMO and issuances of government securities withdrew K4.0 billion and K3.8 billion, respectively from the banking system. The withdrawals were, nonetheless, partly countered by net foreign exchange and government operations that injected K5.1 billion into the banking system. Overall, about K2.6 billion was withdrawn from the banking system

**Table 4: Market Operations (K'bn)**

	2012			2013					
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Net Government Operations (+=injection)	-3.34	21.17	21.59	12.35	-0.42	3.06	-3.05	2.71	-1.56
Net Government Position excluding grants	-6.51	20.90	18.57	11.96	4.86	1.37	-3.01	7.99	2.22
Revenue	38.16	27.50	32.0	32.43	22.10	27.55	35.21	30.91	31.79
MRA	27.25	21.35	21.33	22.43	16.86	21.42	31.70	28.05	29.35
Other	10.91	6.15	10.67	10.00	5.24	6.13	3.51	2.86	2.44
Expenditure	31.65	48.40	50.57	44.39	26.96	28.92	32.20	38.89	34.01
Net Government Domestic Borrowing	3.17	0.27	3.02	0.38	-5.28	1.69	-0.04	-5.28	-3.78
TB issues	5.84	5.69	4.06	3.51	20.54	6.26	5.53	17.20	11.76
TB maturity	9.01	5.96	7.08	3.89	15.26	7.95	5.49	11.93	7.98
Net Forex Operations	-5.85	-14.42	6.07	-2.33	-6.30	-0.40	13.52	40.31	2.94
Sales	5.85	14.42	5.38	19.37	7.75	5.01	14.63	1.27	5.07
Purchases	0.00	0.00	11.45	17.04	1.45	4.61	28.15	41.58	8.01
Net OMO	18.60	-12.42	-40.33	9.72	21.32	-7.12	12.41	-19.97	-4.03
Injections	346.14	355.48	63.79	145.05	79.87	202.24	246.30	91.80	53.25
Maturity of 3-YR RBM bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of securities	6.64	0.41	0.00	7.35	2.40	2.09	2.92	6.20	0.00
Maturity of OMO T-bills	0.00	0.00	0.00	0.00	18.09	0.00	0.62	0.00	1.17
Discount window accommodation	336.60	355.07	62.73	126.42	58.84	172.58	240.31	83.41	52.08
Repo maturities	2.90	0.00	1.06	11.27	0.54	27.56	2.45	2.19	0.00
Withdrawals	327.54	367.90	104.12	135.33	58.55	209.36	233.89	111.77	57.27
Issue of 3-YR RBM bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of securities	0.22	10.72	14.76	9.30	1.85	8.92	0.72	22.38	0.00
Maturing Discount window accommodation	327.09	355.15	82.01	124.21	46.99	181.44	233.17	89.40	57.27
Repos	0.23	2.03	7.35	1.82	9.71	19.00	0.00	0.00	0.00
Net Operations	9.41	-5.67	-12.67	19.74	14.60	-4.46	22.88	23.05	-2.64

Source: Reserve Bank of Malawi

/1 Positive= supply and negative= withdrawal of liquidity.

### 5.2 Government Securities Market

Total subscriptions to the Treasury bill auctions conducted during the month of June 2013 amounted to K13.3 billion at cost value compared to K26.1 billion offered during the preceding month. On the whole, subscriptions were biased towards the longest tenor which attracted a

total of K5.8 billion, representing 43.0 percent of total subscriptions. This was followed by the 182 day tenor with subscriptions totalling K4.9 billion, representing 37.0 percent of total subscriptions. The 91 day tenor received the least subscriptions at K2.7 billion accounting for only 20.0 percent of the total subscribed value. A sum of K6.8 billion cost value was subsequently allotted across all tenors. This comprised K670.8 million allotted on the shortest tenor, K2.4 billion on the 182 days and K3.6 billion allotted on 364 day tenor.

Total maturities in June 2013 amounted to K36.2 billion. This comprised normal Treasury bills worth K8.0 billion and OMO maturities of K28.2 billion. As a result, a net maturity of K27.7 billion was recorded during the month. This brought the balance at the end of the month to K146.9 billion from the opening position of K174.6 billion.

### **5.3 Treasury Bills Yields**

There was a rise in the all type yield from 33.77 percent during the previous month to 34.37 percent by the end of June 2013, representing an increase of 6 basis points. Yields rose across the 91 and 182 day tenors. The 91 day yield increased to 32.97 percent from 31.88 percent, gaining 109 basis points. Likewise, the 182 day tenor rose to 33.79 percent from 32.88 percent representing a gain of 91 basis points. In contrast, the yield on the 364 day tenor registered a marginal decline of 2 basis points from 36.55 percent to 36.35 percent at the end of the month, largely offsetting the gains on the other two tenors.

### **5.4 Inter-bank Money Market**

Tight liquidity situation during the second half of June 2013 led to a drop in excess reserves to average about K1.0 billion per day from K4.6 billion per day recorded in May 2013. Consequently, volumes traded on the interbank market declined and averaged K2.8 billion per day from K3.6 billion per day observed in May 2013 while the weighted average interbank rate gained 118 basis points and closed the month at 29.30 percent. This, however, came at the back of decreased recourse on the window that averaged K2.6 billion per day from K4.0 billion per day recorded in the preceding month

Table 5: Banking System Liquidity (K'bn)

	2012			2013					
	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Daily Average Total Reserves	39.29	38.67	41.62	39.89	44.63	34.62	38.78	40.66	39.06
Daily Average Required Reserves	34.54	35.61	36.32	36.67	36.52	35.43	34.96	36.06	38.07
Daily Average Excess Reserves	4.74	3.06	5.31	3.21	8.11	-0.81	3.82	4.61	1.00
Daily Average Inter-bank market trading	2.49	2.29	4.76	3.29	3.05	2.07	2.32	3.63	2.83
Daily Average Discount Window Borrowing	15.32	16.14	3.30	6.02	2.95	9.08	11.44	3.97	2.60
Inter-bank Market Rate (End Period)	22.90	21.82	26.45	24.93	25.23	37.35	33.53	28.12	29.30

Source: Reserve Bank of Malawi

### 5.5 Interest Rates

In June 2013, the Bank rate remained unchanged at the May 2013 level of 25.00 percent. Commercial banks' average lending rate and savings rate also remained constant at 40.73 percent and 12.00 percent, respectively.

Table 6: Interest Rate Structure

	2012					2013					
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Bank Rate	21.00	21.00	21.00	21.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Base Rate	31.42	31.42	31.42	31.42	36.17	36.17	36.17	37.50	40.73	40.73	40.73
Savings	8.82	8.82	8.82	8.82	10.55	10.55	10.55	11.00	12.00	12.00	12.00
Interbank rate											
Minimum	20.75	20.00	20.50	20.00	22.5	24.25	24.25	24.70	24.00	25.00	25.00
Maximum	33.75	33.00	23.25	24.70	30.50	32.77	30.00	40.00	43.00	50.00	40.00
All Type Treasury bill Yield\1\2											
91 Days	20.38	21.34	22.04	23.17	23.88	28.18	32.23	42.29	41.69	33.77	34.37
182 Days	18.68	18.65	19.79	20.23	20.05	26.77	29.55	39.83	42.19	31.88	32.97
364 Days	20.37	25.05	21.65	23.46	25.16	27.16	32.26	43.66	41.32	32.88	33.79
Government Bonds\3	22.08	25.32	24.70	25.81	26.44	31.37	34.88	43.38	41.57	36.55	36.35
Mortgage (min)	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50
	31.00	31.00	31.00	31.00	36.00	36.00	36.00	36.00	42.00	42.00	42.00

Source: Reserve Bank of Malawi

1\ End of period average

2\ Weighted average yield

3\ The quoted bond rate reflects the highest Government of Malawi Local Registered Stock (LRS) rate

## 6.0 CAPITAL MARKETS

### 6.1 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 Malawi Stock Exchange remained at fourteen.

During the review period, a total of 41.1 million shares valued at K105.2 million (US\$0.3 million) were transacted compared to 933.1 million shares valued at K1.7 billion (US\$5.3 million) transacted in the preceding period.

The market maintained a bullish trend in the period under review. The Malawi All Share Index (MASI) closed higher at 6,914.45 points from 6,552.53 points in May 2013 due to an increase in the Domestic Share Index (DSI) from 5,130.97 points to 5,418.32 points. The increase in the DSI was a result of rising share prices. The Foreign Share Index (FSI) was stable at 1,113.58 points as Old Mutual Limited's (OML)<sup>1</sup> price remained flat. During the corresponding period last year, the MASI stood at 5,983.34 points.

Total market capitalisation registered a 1.8 percentage increase from K4, 606.8 billion recorded in the previous period to K4, 690.5 billion in the period under review. This was due to price increases on First Merchant Bank (FMB), Illovo Sugar Company (ILLOVO), National Bank of Malawi (NBM), NBS Bank (NBS), Standard Bank (STANDARD), Telekom Networks Malawi (TNM) and Old Mutual Limited (OML). Domestic market capitalisation registered a 5.6 percent increase from K271.3 billion to K286.5 billion during the review period. In dollar terms, total market capitalisation stood at US\$13.9 billion, a drop from US\$14.0 billion recorded in the previous period. The decrease was due to the Kwacha trading weaker against the dollar at K338.0 from K328.5 million in the previous month. The domestic market capitalisation closed at US\$847.8 million from US\$826.0 million recorded in the previous review period. During the same period last year, total market capitalisation stood at K2, 782.5 billion (US\$10.1 billion).

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<sup>1</sup> The Old Mutual Limited counter is the only foreign listed stock on the Malawi Stock Exchange hence solely comprises the Foreign Share Index.

## **7.0 PRODUCTION AND PRICES**

### **7.1 Production**

#### **7.1.1 Tobacco**

Revised estimates for tobacco production for the 2012/13 season stand at 162.1 million kilograms, an increase of over 100 percent from 79.8 million kilograms produced in 2012. The increase in production was explained by good prices fetched in the preceding season that encouraged farmers to increase their tobacco production.

Cumulative tobacco sales through the auction floors amounted to 96.7 million kilograms as at end June 2013, significantly higher than 61.7 million kilograms sold in a similar period in 2012. Tobacco prices averaged US\$1.92 per kilogram as at the end of the review month compared to US\$2.16 per kilogram fetched in a corresponding period in 2012. As a result, cumulative earnings from tobacco amounted to US\$185.4 million compared to US\$133.1 million earned in a corresponding period last year.

#### **7.1.2 Tea**

Tea production stood at 2.3 million kilograms in June 2013, compared to 1.6 million kilograms produced in June 2012. The cumulative volume of tea production from January to June 2013 amounted to 30.3 million kilograms compared to 31.9 million kilograms produced in a similar period last year.

Tea auction sales through the Limbe market amounted to 0.5 million kilograms during the month under review, against 1.0 million kilograms auctioned in June 2012. From January to June 2013, a total of 5.8 million kilograms was auctioned, representing a drop of 38.8 percent from 9.5 million kilograms auctioned in a corresponding period in 2012. The decline in volume of auction sales was on account of a backlog of contract sales from last year.

Tea prices averaged US\$1.89 per kilogram during the first half of 2013 compared to an average price of US\$1.65 per kilogram fetched in the first half of 2012. Total realisation amounted to US\$0.9 million in the review month, lower than US\$1.6 million earned in June 2012. Cumulative realisation as at end June 2013 stood at US\$11.0 million, lower than US\$15.7 million.

#### **7.1.3 Sugar**

Sugar production in June 2013 amounted to 32.7 million kilograms compared to 38.6 million

kilograms produced in June 2012. The lower production in June 2013 was on account of unfavourable weather conditions. Consequently, the volume of sales was relatively lower at 21.2 million kilograms in the review month compared to 24.8 million kilograms sold in a similar month in year. Of the total volume sold in June 2013, 72.1 percent (15.2 million kilograms) was exported at a value of US\$9.3 million, compared to 10.6 million kilograms exported for US\$4.9 million in June 2012.

Cumulative sugar production from January to June 2013 amounted to 92.2 million kilograms compared to 95.2 million kilograms during a similar period in 2012. Cumulative volume of sales stood at 115.5 million kilograms, slightly lower than 118.8 million kilograms sold in a corresponding period in the previous year.

## **7.2 Domestic Price Developments**

Price pressures continued to abate during the month of June 2013 as headline inflation slowed down by 3.1 percentage points to 27.9 percent from 31.0 percent in May 2013. Urban inflation fell to 37.2 percent in the review month from 39.4 percent in the preceding month. Similarly, rural inflation for June 2013 dropped to 26.5 percent from 29.6 percent recorded in May 2013.

Pressure on food prices continued to subside as food inflation dropped to 23.5 percent in June 2013 from 25.4 percent in the previous month. The slowdown in food inflation was attributed to the seasonal increase in food stocks across the country following this year's crop harvest. Rural food inflation dropped by 4.9 percentage points to 21.9 percent in June 2013 compared to a drop of 2.4 percentage points to 24.9 percent in urban food inflation in June 2013.

Non-food inflation decelerated by 4.1 percentage points to 32.5 percent in the review month from 36.6 percent in May 2013. The drop in non-food inflation was largely explained by a downward adjustment in fuel prices as a result of declining international oil prices coupled with the strengthening of the Malawi kwacha in May 2013. The deceleration was however more pronounced in the urban areas as urban non-food inflation decelerated by 2.2 percent to 43.4 percent whereas rural non-food inflation eased, albeit marginally, by 0.2 percentage points to 33.9 percent.

The consumer price index (CPI) on a month-on-month basis dropped by 3.7 percent in June 2013 compared to a disinflation of 0.2 percent in May 2013. The significant decline was attributed to a 7.7 percent month-on-month decrease in food prices in June 2013. Non-food inflation rose by



0.1 percent, preceded by a 6.2 percent rise in May 2013. This was attributed to price increases of 0.4 percent in the communications, clothing & footwear, and alcohol & tobacco categories.

In the ensuing months, pressures on food inflation are expected to continue receding owing to availability of food in most parts of the country. This should have a depressing effect on overall inflation. However downside risks to inflation may emerge in the lean period as food stocks begin to decline and prices begin to increase.

**Table 7: Selected Economic Indicators**  
(In billions Malawi kwacha unless otherwise stated)

	2007	2008	2009	2010	2011	2012	2012 June	2013 June
<b>Real Sector</b>								
Population (million)	12.8	13.1	13.5	13.9	14.4	14.8	14.8	15.3
GDP at current market prices	510.5	601.0	868.3	1021.3	1140.8	1408.2	1408.2	1851.8
Real GDP growth (percent)	9.5	8.6	8.9	9.5	3.8	1.8	1.8	5.0
GDP per capita (K'000)	39.3	45.6	52.6	58.4	65.7	70.2	95.2	121.0
GDP per capita (US\$)	284.9	326.3	440.6	487.2	501.1	375.3	375.3	295.2
Consumer Price Index (CPI) 2000=100 <sup>2</sup>	244.1	265.4	287.7	74.5	81.1	..	382.1	127.2
Average annual inflation rate (percent)	7.9	8.7	8.4	7.4	8.8	21.3	20.1	27.9
<b>Fiscal Sector</b>								
Total Revenue	160.8	160.8	169.7	291.2	267.6	363.3	30.2	59.8
Domestic Revenues	94.4	126.7	140.5	200.3	229.4	265.2	15.6	31.8
Grants	66.4	34.2	29.2	91.0	38.2	97.9	14.7	28.0
Total expenditure	168.6	204.1	222.8	264.8	300.2	388.6	25.6	36.7
Recurrent	110.4	190.7	206.3	203.5	240.0	349.8	25.3	30.3
Development	58.2	13.4	16.4	61.3	60.2	72.1	5.3	6.5
Deficit/GDP ratio (after grants)	-1.6	-7.8	-8.2	4.0	-7.5	-6.5	0.3	1.2
<b>Monetary Sector</b>								
Net Foreign Assets	27.7	19.7	-4.5	21.0	2.6	31.4	-3.8	109.0
Net Domestic Credit	72.1	158.0	212.9	244.5	335.3	378.8	394.4	401.5
Government	21.1	83.9	111.6	95.0	140.7	140.6	169.4	151.9
Statutory bodies	3.7	6.0	6.2	4.7	20.0	19.4	17.1	17.8
Private (gross)	47.3	68.1	95.0	144.8	174.5	218.9	207.9	231.8
Money Supply (M2)	104.9	139.6	173.8	231.7	314.3	386.4	356.6	448.3
M2 Growth Rate (annual percent)	36.9	33.1	24.4	..	35.7	22.9	34.6	25.7
Reserve Money	27.7	36.0	50.1	57.4	73.2	113.2	101.4	126.6
Banks Deposits	2.9	5.8	16.9	17.9	19.7	42.2	28.2	27.2
<b>External Sector</b>								
Overall Balance	16.5	0.8	-15.1	20.4	-17.0	6.3	..	..
Current Account	-57.6	-98.7	-78.1	-136.2	-119.7	-22.8	..	..
Exports (fob )	112.4	133.5	179.1	171.4	239.6	365.5	..	..
Imports (fob)	193.9	255.6	283.5	344.3	411.6	645.1	..	..
Trade balance	-102.6	-160.2	-144.3	-221.2	209.6	279.6	..	..
Capital account balance	26.6	61.7	57.7	90.7	71.5	79.7	..	..
Gross foreign exchange reserves	22.7	40.5	35.5	56.0	48.2	139.1	79.5	217.5
Official	16.1	33.2	24.1	42.2	31.1	72.2	22.6	150.9
Commercial banks	6.6	7.3	11.4	13.8	17.1	66.9	46.9	66.6
Import cover (Official reserves in months)	1.8	2.2	1.9	2.2	1.5	1.1	0.7	2.4
Current account balance/GDP (percent)	-14.1	-15.5	-16.9	-21.4	-12.7	-12.0	..	..
Debt/GDP (percent)	8.2	17.4	16.4	16.3	15.9	28.9	..	..
Debt Service/Exports (percent)	8.1	1.5	1.5	2.0	..	..	..	..
MK/US Dollar (eop)	138.672	140.600	140.606	150.801	163.752	335.127	418.475	335.522
MK/US Dollar (pd avg)	140.000	140.526	140.604	150.487	156.529	330.457	270.624	330.924

Source: Reserve Bank of Malawi

<sup>2</sup> From 2007 to 2009, base year is 2000 while from 2010 to 2013, base year is 2010.

**Table 8a: Year on Year Inflation Rates (2000=100)**

Period	All items	Food Costs	Beverages & Tobacco	Clothing & Footwear	Housing	Household	Transportation	Miscellaneous
<b>2007</b>	7.9	7.4	10.7	6.0	9.2	7.2	10.5	7.2
<b>2008</b>	8.7	7.0	9.4	7.4	9.5	14.0	17.1	9.8
<b>2009</b>	8.4	7.3	11.5	9.0	2.9	18.0	12.4	13.3
<b>2010</b>	7.4	5.0	13.1	7.9	6.7	13.5	12.7	9.3
<b>2011</b>	7.6	3.1	10.4	10.2	12.1	10.2	17.0	14.6
<b>2012</b>	21.3	18.8	18.1	12.9	33.9	20.7	27.0	20.0
<b>2011</b>								
<b>Jan</b>	6.6	2.9	10.3	9.8	11.4	5.0	16.5	10.9
<b>Feb</b>	7.0	3.6	10.5	10.5	11.7	5.3	16.2	12.0
<b>Mar</b>	7.2	3.7	10.7	11.0	11.7	5.7	15.8	12.1
<b>Apr</b>	7.1	3.3	10.6	11.0	11.6	5.9	16.0	13.1
<b>May</b>	7.0	2.7	10.0	11.2	11.0	9.1	15.9	14.0
<b>Jun</b>	7.0	2.2	10.4	11.2	10.8	9.3	15.9	14.5
<b>Jul</b>	7.4	2.4	9.5	11.8	11.3	10.4	16.3	16.0
<b>Aug</b>	7.6	2.4	9.6	11.8	11.4	10.5	16.4	16.5
<b>Sep</b>	7.7	2.7	8.8	8.7	14.8	11.9	14.1	16.2
<b>Oct</b>	8.1	2.9	10.6	8.6	13.5	15.6	15.1	16.3
<b>Nov</b>	8.9	3.5	11.5	8.7	13.6	16.5	20.1	16.8
<b>Dec</b>	9.8	5.2	12.6	7.8	11.8	17.6	25.2	16.6
<b>2012</b>								
<b>Jan</b>	10.3	6.1	14.4	8.1	14.5	17.3	18.7	18.5
<b>Feb</b>	10.9	6.8	16.0	8.9	14.7	18.9	17.8	18.2
<b>Mar</b>	11.4	7.5	16.1	8.8	14.5	20.8	18.0	18.9
<b>Apr</b>	12.4	8.9	16.3	9.5	15.3	21.1	18.3	18.8
<b>May</b>	17.3	12.7	18.3	12.1	27.1	21.1	27.5	20.1
<b>June</b>	20.1	17.3	18.3	13.0	29.1	20.9	29.2	19.8
<b>Jul</b>	21.7	20.2	16.9	14.2	31.1	20.3	27.6	21.7
<b>Aug</b>	25.5	26.0	17.0	14.2	37.1	20.4	30.4	21.2
<b>Sep</b>	28.3	27.7	16.8	14.5	50.7	16.8	34.3	19.6
<b>Oct</b>	30.6	32.0	17.5	16.0	50.9	16.7	34.8	21.2
<b>Nov</b>	33.3	33.4	23.5	17.4	58.5	18.3	34.8	21.9
<b>Dec</b>	34.6	34.6	24.7	17.3	57.5	34.5	31.0	20.2

Source: National Statistical Office (NSO)

**Table 8b: National Year-on-Year Inflation Rate (2010=100)**

	All items	Food & Non-alcoholic	Non-food inflation
<b>2013</b>			
<b>Jan</b>	35.1	34.2	36.0
<b>Feb</b>	37.9	38.2	37.6
<b>Mar</b>	36.4	31.4	37.9
<b>Apr</b>	35.8	33.1	38.6
<b>May</b>	31.0	25.4	36.6
<b>June</b>	27.9	23.5	32.5

Source: National Statistical Office

Table 9a: National Composite Price Indices (2000=100)

Period	All items	Food Costs	Beverages & Tobacco	Clothing & Footwear	Housing	Household	Transportation	Miscellaneous
<b>Overall Weight</b>	<b>100</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>
<b>2005</b>	198.5	180.9	240.6	192.8	236.9	268.9	230.1	182.6
<b>2006</b>	226.1	209.1	273.5	208.8	266.9	313.5	261.6	197.5
<b>2007</b>	244.1	224.7	302.6	221.2	291.4	336.2	289.2	211.1
<b>2008</b>	265.4	240.3	331.0	237.7	319.1	383.5	338.9	232.3
<b>2009</b>	287.7	258.0	369.0	259.1	328.3	452.8	380.1	263.1
<b>2010</b>	309.0	271.2	417.2	279.5	350.2	512.1	428.4	287.7
<b>2011</b>	332.6	279.8	460.7	307.9	392.4	564.4	501.2	329.8
<b>2012</b>	403.4	332.5	543.9	347.5	525.4	681.0	636.6	395.8
<b>2010</b>								
<b>Jan</b>	317.6	293.0	401.8	274.2	342.5	504.4	408.9	279.5
<b>Feb</b>	328.0	309.2	402.9	274.6	344.2	505.4	420.5	280.2
<b>Mar</b>	326.9	306.0	403.9	275.8	345.9	507.4	424.6	281.9
<b>Apr</b>	318.2	290.9	404.9	275.9	346.1	507.4	424.6	282.2
<b>May</b>	308.3	273.5	407.1	275.6	345.7	507.4	425.2	282.8
<b>Jun</b>	297.3	254.2	407.8	276.0	346.0	507.7	426.4	283.6
<b>Jul</b>	293.3	246.5	419.8	275.4	344.2	508.0	426.7	283.8
<b>Aug</b>	286.4	234.5	420.1	275.5	344.4	508.1	426.9	284.3
<b>Sep</b>	300.9	252.4	433.8	285.1	350.2	521.1	438.1	295.5
<b>Oct</b>	301.9	253.2	433.8	285.4	354.3	521.1	438.1	295.8
<b>Nov</b>	310.0	264.9	433.9	286.4	363.4	521.8	438.2	297.0
<b>Dec</b>	319.8	276.1	436.9	294.6	375.3	525.1	442.7	305.7
<b>2011</b>								
<b>Jan</b>	338.5	301.6	443.2	301.1	381.6	529.7	476.2	310.0
<b>Feb</b>	351.0	320.4	445.3	303.4	384.3	532.2	488.7	313.8
<b>Mar</b>	350.3	317.4	447.0	306.0	386.5	536.6	491.8	316.1
<b>Apr</b>	340.7	300.4	447.9	306.2	386.4	537.2	492.7	319.3
<b>May</b>	329.9	280.8	447.7	306.5	383.8	553.8	492.8	322.3
<b>Jun</b>	318.2	259.9	450.1	307.0	383.3	555.0	494.3	324.8
<b>Jul</b>	315.1	252.4	459.5	307.8	383.1	560.7	496.2	329.3
<b>Aug</b>	308.2	240.1	460.5	308.1	383.6	561.3	496.7	331.1
<b>Sep</b>	324.2	259.3	471.9	309.7	401.8	583.2	500.0	343.6
<b>Oct</b>	326.5	260.5	479.8	310.0	402.2	602.6	504.2	344.1
<b>Nov</b>	337.6	274.1	483.6	311.4	412.7	608.0	526.4	346.9
<b>Dec</b>	351.1	290.5	491.9	317.5	419.8	617.4	554.1	356.4
<b>2012</b>								
<b>Jan</b>	373.4	319.9	506.9	325.4	436.9	621.3	565.3	367.2
<b>Feb</b>	389.1	342.2	516.6	330.4	440.9	632.7	575.9	370.9
<b>Mar</b>	390.2	341.1	519.1	332.8	442.7	648.4	580.5	375.9
<b>Apr</b>	383.2	327.2	520.7	335.3	445.7	650.4	583.0	377.8
<b>May</b>	387.0	316.5	529.6	343.6	487.9	670.5	628.4	387.1
<b>June</b>	382.1	304.7	532.6	347.0	495.0	671.1	638.9	389.0
<b>July</b>	383.5	303.5	537.1	351.4	502.2	674.6	633.0	400.9
<b>Aug</b>	386.8	302.6	538.8	352.0	525.9	675.6	647.7	401.3
<b>Sep</b>	416.1	331.2	551.1	354.7	605.4	681.4	671.4	410.9
<b>Oct</b>	426.4	343.8	563.6	359.5	606.8	703.3	679.7	417.0
<b>Nov</b>	450.0	365.8	597.4	365.4	654.2	719.5	709.8	422.8
<b>Dec</b>	472.5	391.1	613.3	372.4	661.3	823.4	725.9	428.3

Source: National Statistical Office

Table 9b: National Component Price Indices (2010=100)

	All items	Food & Non- alcoholic	Alcoholic drinks & Tobacco	Clothing & Footwear	Housing, water & electricit y	Furnishing & Household	Health	Transp ortation	Commu nication	Recreation & Culture	Education	Restauran ts & Hotels	Miscellan eous
<b>Weight</b>	<b>100</b>	<b>50.2</b>	<b>2.4</b>	<b>5.9</b>	<b>12.6</b>	<b>3.0</b>	<b>1.3</b>	<b>11.7</b>	<b>3.6</b>	<b>1.2</b>	<b>3.0</b>	<b>1.3</b>	<b>3.9</b>
<b>2013</b>													
<b>Jan</b>	121.6	122.5	114.1	118.7	128.7	116.7	109.9	114.3	114.2	123.6	120.5	186.9	110.8
<b>Feb</b>	129.7	136.1	118.2	121.3	130.7	118.6	114.2	116.2	114.1	127.1	126.2	189.2	112.8
<b>Mar</b>	129.9	134.4	120.2	123.4	134.2	120.6	115.7	118.6	114.1	129.3	126..1	191.0	114.5
<b>Apr</b>	127.2	129.9	125.0	121.2	134.9	108.1	118.7	119.8	114.1	134.6	126.1	191.0	116.5
<b>May</b>	127.0	122.2	129.4	124.1	142.8	124.7	120.3	122.9	131.9	138.5	126.2	192.8	118.5
<b>Jun</b>	122.3	112.8	130.0	124.5	143.0	124.8	120.3	121.9	132.4	138.7	126.2	193.3	117.9

Source: National Statistical Office

Table 10: Selected Exchange Rates

	US dollar		Euro		British pound		Japanese yen		SA rand		ZMK	
	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell
2008	139.821	141.226	205.617	207.696	259.237	261.841	1.356	1.371	17.167	17.335	0.038	0.038
2009	140.464	141.875	195.728	197.696	219.917	222.050	1.504	1.520	16.960	17.130	0.028	0.029
2010	149.739	151.235	198.802	200.792	231.521	233.847	1.709	1.727	20.480	20.686	0.031	0.033
2011	155.417	157.640	216.219	219.296	248.987	252.536	1.953	1.981	21.514	21.815	0.032	0.032
2012	246.618	251.600	317.152	323.559	391.387	399.284	3.089	3.151	29.791	30.393	0.048	0.049
2010												
Jan	149.257	150.757	208.557	210.653	240.842	243.262	1.663	1.680	19.568	19.765	0.033	0.033
Feb	150.047	151.555	202.923	204.963	228.641	230.940	1.687	1.704	19.141	19.334	0.032	0.032
Mar	150.047	151.555	201.393	203.417	226.121	228.393	1.617	1.633	20.322	20.526	0.032	0.032
Apr	150.047	151.555	198.3619	200.356	229.962	232.273	1.595	1.611	20.407	20.612	0.032	0.032
May	150.046	151.554	183.957	185.806	216.922	219.102	1.647	1.664	19.740	19.938	0.030	0.030
Jun	150.046	151.555	183.192	185.033	226.360	228.635	1.694	1.711	19.575	19.772	0.029	0.029
Jul	150.047	150.800	196.261	198.234	234.088	236.441	1.730	1.747	20.426	20.632	0.031	0.031
Aug	150.046	151.554	190.244	192.156	232.152	234.485	1.771	1.789	20.439	20.644	0.031	0.031
Sep	150.047	151.555	204.514	206.569	237.014	239.396	1.794	1.812	21.518	21.734	0.031	0.031
Oct	150.047	151.555	209.015	211.116	239.265	241.669	1.852	1.870	21.410	21.625	0.032	0.033
Nov	150.047	151.555	196.936	198.916	233.668	236.016	1.781	1.799	21.097	21.309	0.031	0.031
Dec	150.047	151.555	199.412	201.414	231.477	233.804	1.840	1.860	22.605	22.832	0.031	0.032
2011												
Jan	150.047	151.555	203.884	205.908	237.509	239.896	1.829	1.847	20.899	21.109	0.031	0.031
Feb	150.046	151.554	206.329	208.402	241.650	244.078	1.837	1.855	21.421	21.637	0.032	0.032
Mar	150.046	151.554	211.971	214.101	241.155	243.578	1.810	1.828	21.991	22.212	0.032	0.032
Apr	150.047	151.555	222.399	224.635	249.558	252.066	1.840	1.814	22.743	22.972	0.032	0.032
May	150.043	151.551	214.292	216.446	247.196	249.681	1.854	1.872	21.645	21.863	0.032	0.032
Jun	150.045	151.553	216.590	218.767	241.003	243.425	1.858	1.876	22.067	22.289	0.031	0.031
Jul	150.046	151.554	215.076	217.237	245.685	248.154	1.932	1.951	22.284	22.508	0.031	0.032
Aug	163.741	167.049	237.605	242.405	268.683	274.111	2.131	2.174	23.216	23.685	0.033	0.034
Sep	164.310	167.630	223.413	227.926	256.784	261.972	2.139	2.182	20.636	21.053	0.034	0.035
Oct	166.184	169.541	235.001	239.748	267.772	273.182	2.198	2.242	21.553	21.989	0.034	0.035
Nov	162.830	166.120	216.841	221.222	253.967	259.097	2.090	2.132	19.518	19.912	0.032	0.033
Dec	162.114	165.389	210.116	214.361	349.915	254.964	2.088	2.130	19.828	20.228	0.032	0.032
2012												
Jan	165.752	169.100	217.864	222.266	260.396	265.657	2.171	2.215	21.140	21.567	0.032	0.033
Feb	166.461	169.823	224.023	228.548	264.689	270.036	2.069	2.111	21.140	21.567	0.032	0.032
Mar	165.196	168.534	219.744	224.184	263.620	268.946	2.003	2.044	21.399	21.831	0.031	0.032
Apr	165.207	168.545	218.850	223.271	268.842	274.273	2.058	2.100	21.260	21.690	0.032	0.032
May	266.787	269.482	329.936	336.601	412.933	421.275	3.374	3.442	31.267	31.899	0.050	0.051
June	269.653	275.101	335.530	342.308	418.475	426.929	3.394	3.462	32.093	32.741	0.052	0.053
July	272.478	277.983	334.058	340.807	428.063	436.700	3.485	3.556	33.225	33.897	0.055	0.056
Aug	278.193	283.813	347.908	354.936	439.127	447.999	3.538	3.610	32.822	33.486	0.055	0.057
Sep	295.982	301.961	382.201	389.922	480.526	490.233	3.814	3.891	35.952	36.679	0.058	0.059
Oct	311.189	317.475	403.269	411.416	500.173	510.278	3.908	3.987	36.702	36.338	0.059	0.060
Nov	322.804	329.326	418.968	427.432	517.811	528.272	3.931	4.010	36.720	37.462	0.062	0.063
Dec	331.775	338.478	438.508	447.366	536.514	547.353	3.863	3.941	39.113	39.903	0.064	0.066
2013												
Jan	349.082	356.135	473.601	483.168	551.586	562.729	3.833	3.910	38.632	39.413	65.249	66.567
Feb	373.726	381.276	491.038	500.958	577.976	572.25	4.052	4.134	43.243	42.815	71.738	73.182
Mar	401.130	409.233	512.644	523.000	606.902	619.170	4.247	4.332	43.309	44.184	74.684	76.193
April	392.752	400.686	514.466	524.859	608.766	621.064	4.018	4.099	43.665	44.547	73.965	75.459
May	318.355	339.9469	415.453	443.631	484.918	517.807	3.161	3.375	31.707	33.858	59.729	63.780
June	325.423	345.622	424.287	450.622	496.563	527.384	3.292	3.496	32.725	34.756	59.438	63.127

Source: Reserve Bank of Malawi

Table 11: Malawi All Share Indices (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'million/1000	Value of shares issued (in million Kwacha)
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	99,583,102.8	1,278,529.2
2011	4,238.4	535.4	5,369.4	2.7	5.6	2,403,021	52,775,018.5	2,681,021.5
2012	4,725.5	854.7	6,015.5	8.8	10.6	9,902,899	520,857,193.0	3,562,267.6
<b>2010</b>								
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	190,381,908.3	1,160,300.3
May	3,836.4	314.2	4,840.8	4.3	5.9	5,655,749	87,239,295.0	1,159,006.7
Jun	3,844.5	314.2	4,851.0	4.3	5.9	38,548,182	368,160,675.3	1,159,433.4
Jul	3,899.6	314.2	4,920.0	4.3	5.9	26,014,091	191,120,202.8	1,162,320.5
Aug	3,903.3	321.8	4,925.5	4.2	5.9	12,605,998	85,383,846.5	1,185,509.3
Sep	3,909.1	321.8	4,932.7	4.2	5.9	24,718,949	133,588,921.8	1,185,808.3
Oct	3,881.0	333.6	4,898.8	4.1	5.9	9,785,782	68,720,918.0	1,218,823.9
Nov	3,894.0	351.9	4,917.2	3.9	5.9	10,413,718	75,015,019.3	1,276,987.7
Dec	3,922.6	351.9	4,953.1	3.9	5.9	20,250,834	99,583,102.8	1,278,529.2
<b>2011</b>								
Jan	3,943.1	351.9	4,978.8	3.9	5.9	44,839,097	22,164,609.9	1,279,905.7
Feb	3,962.0	354.4	5,002.7	3.9	6.0	28,127,978	183,580,036.2	1,288,562.8
Mar	3,846.8	398.4	4,863.4	3.5	6.0	681,462,692	1,440,811,132.7	1,416,638.9
Apr	3,855.9	411.0	4,876.3	3.6	6.2	41,712,843	195,853,350.9	1,455,426.5
May	3,880.1	427.3	4,919.7	3.4	6.1	31,515,097	116,089,612.8	1,506,996.2
Jun	3,878.7	477.6	4,912.3	3.0	5.6	643,803,253	1,150,483,316.4	2,395,156.2
Jul	3,887.4	477.6	4,922.9	3.1	5.6	10,336,302	100,062,111.6	2,395,600.1
Aug	3,869.6	521.6	4,906	2.8	5.6	50,648,182	231,875,901.6	2,596,539.5
Sep	3,966.5	521.6	5,027.3	2.8	5.6	30,038,376	78,640,735.50	2,601,202.0
Oct	3,974.8	535.42	5,039.3	2.7	5.6	20,558,133	873,228,743.00	2,666,110.4
Nov	4,216.2	535.42	5,341.6	2.7	5.6	9,548,589	344,855,363.80	2,678,814.7
Dec	4,238.4	535.42	5,369.4	2.7	5.6	2,403,021	52,775,018.50	2,681,021.5
<b>2012</b>								
Jan	4,220.3	535.4	5,346.8	2.7	5.6	6,065,839	124,916,772.3	2,694,100.0
Feb	4,291.6	546.7	5,437.4	2.6	5.6	1,751,478	100,570,803.0	2,750,073.1
Mar	4,472.3	576.9	5,667.1	2.5	5.6	58,569,175	532,608,097.2	2,898,840.6
Apr	4,549.4	576.9	5,763.6	2.6	5.9	9,574,183	184,461,853.9	2,476,430.0
May	4,643.1	628.4	5,886.8	4.9	5.9	25,621,946	160,282,281.4	2,681,102.8
June	4,717.9	653.6	5,983.3	2.3	5.8	274,429,554	792,897,438.0	2,782,481.1
July	4,724.7	653.6	5,991.9	4.7	5.8	8,860,899	390,422,660.0	2,782,841.8
Aug	4,702.2	685.0	5,967.2	4.7	5.9	6,355,954	311,597,818.2	2,903,430.4
Sep	4,669.1	691.3	5,926.4	4.5	5.9	241,716,704	501,498,548.4	2,926,034.6
Oct	4,653.8	754.1	5,914.4	4.2	5.9	14,408,215	139,913,523.1	3,168,783.7
Nov	4,668.6	754.1	5,932.9	9.5	10.5	9,807,833	190,065,431.8	3,167,565.2
Dec	4,725.5	854.7	6,015.5	8.8	10.6	9,902,899	520,857,193.0	3,562,267.6
<b>2013</b>								
Jan	4,732.2	879.8	6,026.8	8.5	10.6	20,171,422	170,292,848.5	3,660,046.3
Feb	4,769.0	967.8	6,082.7	7.8	10.6	5,733,159	96,458,538.3	4,002,968.0
Mar	4,966.8	1,093.5	6,344.6	6.9	10.6	2,075,488,220	2,688,291,749.5	4,519,858.9
Apr	4,959.4	1,093.5	6,335.4	7.0	10.8	56,142,522	274,641,531.8	4,519,471.4
May	5,131.0	1,113.6	6,552.5	4.8	43.0	933,055,758	1,724,830,034.0	4,606,835.6
June	5,418.3	1,131.2	6,914.4	4.7	43.0	41,107,731	105,232,308.4	4,690,537.6

Source: Malawi Stock Exchange