RESERVE BANK OF MALAWI

DAILY FINANCIAL MARKET STATISTICS

(In Millions of Malawi Kwacha, unless otherwise specified)

Monday, 24 March 2014

A. PROJECTED EXCESS RESERVES OF THE BANKING SYSTEM

(a) Opening excess reserves	**11,698**
(b) Known transactions for the day (1)+(2)	**2,158**
(1) Foreign exchange operations (Net)	**827**
Injections*	827
Withdrawals*	0
(2) Money market operations (Net)	**1,331**
Injections	1,331
Withdrawals	0
(c) Estimated excess reserves for the day (a)+(b)	**13,856**
Required Reserves (15.5 percent LRR)	**43,791**

Injection means + and withdrawal means –

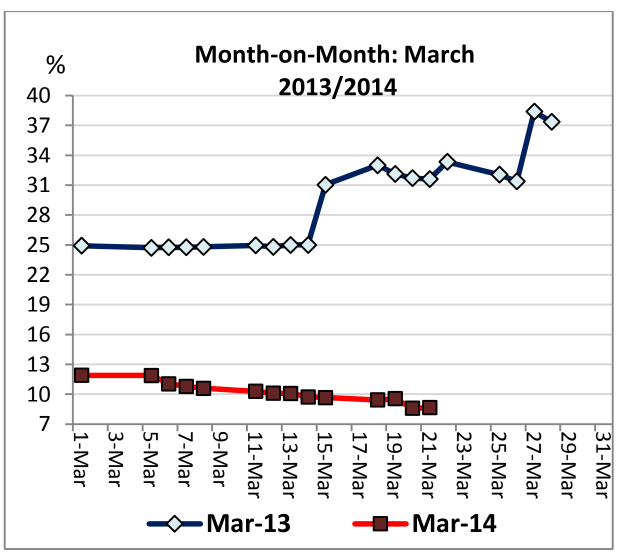
15.5 percent fortnight reserve requirement is used in the calculation of excess reserves

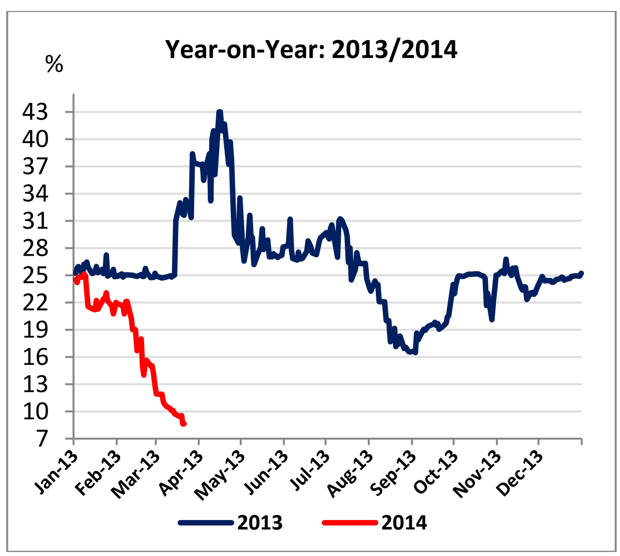
Vault cash is no longer a qualifying asset for meeting LRR

B. PREVIOUS DAY'S INTER-BANK MARKET ACTIVITIES

Domestic Money Market Activity (MK million)	Volume	Weighted Average Rate (%)	Range (%)
Inter-bank overnight borrowing/lending	2,500	8.66	8.00-9.00
7 Days Inter-bank borrowing/lending	450	10.00	10.00-10.00
Number of borrowers	4		
Number of lenders	5		
Number of trades	7		
Access on the Lombard Facility	-	-	-
Open market operations	1,400	13.27	11.00-15.76

C. WEIGHTED AVERAGE INTER-BANK O/N RATES





D. FOREIGN EXCHANGE RESERVES POSITION AND KWACHA EXCHANGE RATE

	Gross Official		Private Sector	USD/MWK
	Reserves (US$ million)	Import Cover (Months)[2]	Reserves (US$ million)[1]	TT Middle Rate
19 March 2014	470	2.50	303	415.7511
20 March 2014	473	2.51	304	414.6123

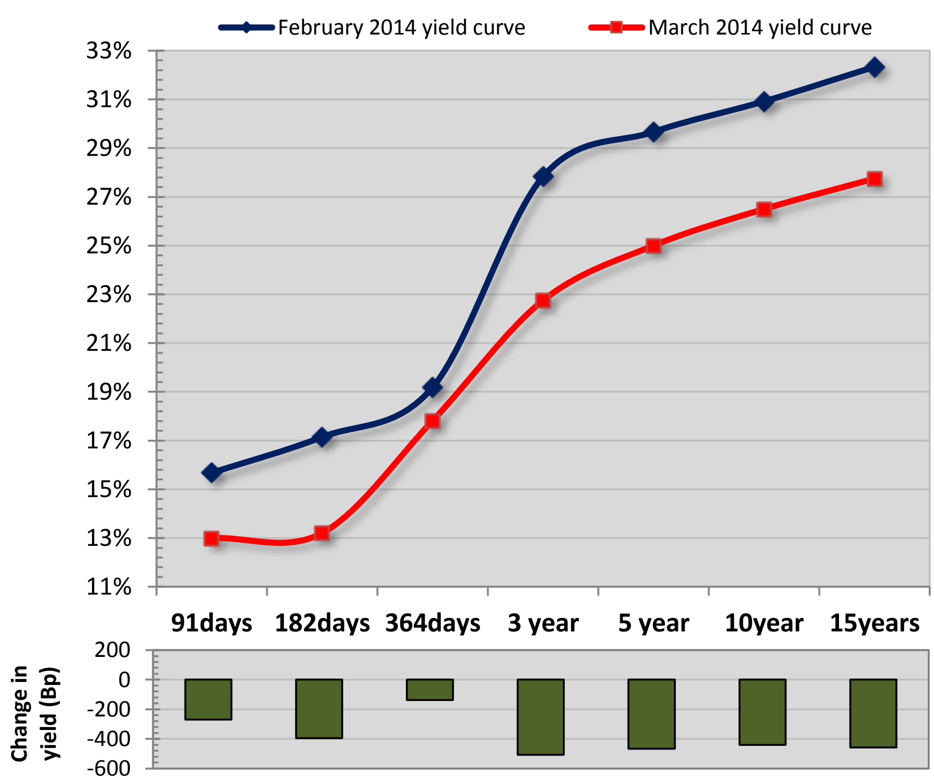
[1] Private sector reserves include Foreign Currency Denominated Accounts (FCDAs) and ADBs own forex positions
[2] US$188.1 million per month is used in this calculation

E. MATURITIES OF TREASURY BILLS & OMO REPOS IN THE NEXT THREE WEEKS (MWK'MILLION)

Week ending:	28 March 2014	04 April 2014	11 April 2014	18 April 2014
Treasury Bills	2,832	2,306	1,705	232
OMO Repos	1,331	-	3,155	605
RBM 3-Year Bond Coupon	-	-	-	-

F. INDICATIVE YIELD CURVE FOR GOVERNMENT SECURITIES

(Based on market consensus)



	91days	182days	364days	3 year	5 year	10year	15years
February 2014 yield curve	15.68%	17.15%	19.19%	27.83%	29.67%	30.92%	32.33%
March 2014 yield curve	12.99%	13.20%	17.81%	22.75%	25.00%	26.50%	27.75%
Change in yield (bp)	-269	-395	-138	-508	-467	-442	-458