



**ILLOVO: Profits hit a new all-time high**

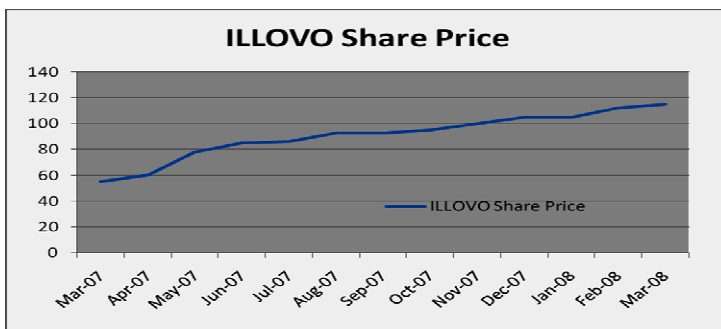
Malawi's sole sugar producing company-ILLOVO Sugar Malawi-has experienced a 3% increase in profit owing to increases in European Union trade allocations and establishment of new non-traditional markets. ILLOVO profits hit a new all -time high of K5.004 billion up from K4.866 billion attained in 2006.

**Hindrances**

During the 2007/2008 growing season, the sugar giant was met with unfavorable climatic conditions, at its Dwangwa and Nchalo estates, which resulted in a 13 percent drop in cane production from 288,460 tonnes in the previous season to 265,788 tonnes in the present season. The resilience of the Malawi Kwacha against the US dollar also negatively impacted ILLOVO's export revenue stream.

**Trading performance on the MSE**

At the close of 2007, ILLOVO shares recorded the highest trade value of K1,136,971,619.00, which accounted for about 30 percent of the total value of all shares traded on the exchange. A total of 16,424,859 ILLOVO shares were traded accompanied by a 110 percent year on year increase in the price of its shares. At the start of business on Friday, 25<sup>th</sup> April 2008, ILLOVO shares were trading at K120 each compared to K60.00 in April 2007.



**Dividend payment**

The first interim dividend of 190 tambala per share was paid to its share holders on the 4<sup>th</sup> of January 2008. The second, which is due on the 20<sup>th</sup> of June, will be worth 285 tambala per share.

**Future Outlook**

ILLOVO plans to deploy K2.0 billion worth of capital to expand its operations in Nchalo and consequently attain a 20,000 tonnes increase in Sugar production during the 2009/2010 season. The outlook for the counter is positive and for the foreseeable future it will remain one of the prime counters on the stock exchange.

**MARKET STATISTICS**

**Treasury Bill Yields**

Tenor days	Current %	Previous %
91	09.15 ↑	09.10
182	08.65 ↑	08.55
273	08.18 ↔	08.18

**RBM Bill Yields**

Tenor days	Current %	Previous %
63	08.38 ↓	08.43
91	08.50 ↔	08.50

**CDH Investment Rates**

Tenor/Period	Rate %
16 days	5.50
44 days	5.85
72 days	6.50
79 days	6.50
121 days	6.00
170 days	6.15
205days	6.15

**Inflation Rates**

	Feb. 08	Mar. 08
National -	08.00 ↑	08.20
Urban -	10.40 ↑	10.80
Rural -	06.70 ↑	06.90

**Middle Exchange Rates**

	30.04.08	23.04.08
USD K140.5210	↑	K140.4983
GBP K287.2260	↑	K287.4513
ZAR K 19.2827	↑	K 19.0642
EUR K225.6384	↑	K229.4366

**Stock Exchange**

Week ending 25<sup>th</sup> April 2008

Index	Current Points	Previous Points
MASI	5277.41 ↑	5225.34
DSI	4165.28 ↑	4123.66
FSI	521.59 ↔	521.59

**Nominal Treasury bill stock**

In K'billion		
Jan.08	Feb.08	Mar.08
85.14	84.18	83.40

Source: NSO, RBM,,MSE,CDH

**Martin Luther King Jr (1929-68):** "Nothing in the world is more dangerous than sincere ignorance and conscientious stupidity". Always seek professional advice