

GOVERNMENT BOND ISSUANCE... LISTING ON MSE

Government of Malawi (GoM) through the Reserve Bank of Malawi intends to raise Mwk30bn through issuance of Treasury Notes (bonds) that will be listed on the Malawi Stock Exchange. Government has invited bidders to subscribe for up to Mwk10bn at a coupon rate of 8.00% p.a for a 2 year tenor, Mwk10bn at a coupon rate of 8.50% p.a for a 3 year tenor, Mwk5bn at a coupon rate of 9.50%p.a for a 4 year tenor and Mwk5bn at a coupon rate of 10% for 5 year tenor to restructure its domestic debts. The auction date for the bonds is 23 December 2011 with a settlement cycle of T+7, effectively settling on 30 December 2011. Successful bidders will receive physical certificates as negotiable instruments which can be discounted with Reserve Bank of Malawi at last resort; otherwise, the bonds will be tradable on the Malawi Stock Exchange.