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THIS ISSUE



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NICO MONEY

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She also brings leadership experience from her time in the Students' Council, where she served as Director of Publicity and Publications, developing strong skills in public speaking, stakeholder engagement, and advocacy.

Credit Data CRB Limited was incorporated in Malawi in 2005 and reregistered under its current name in 2010, reflecting a strategic shift from debt management to credit referencing and rating. The bureau became fully operational following the enactment of the Credit Reference Bureau Act 2010, which requires all Reserve Bank-licensed financial institutions to submit their loan and credit portfolios to the bureau monthly, and to consult it before issuing credit. Information is provided to lenders through credit reports at a fee. Its core function is the collection, consolidation, and storage of credit information on economically active individuals and businesses across Malawi, giving lenders a reliable basis on which to assess the creditworthiness and repayment history of existing and prospective clients.

CREDITDATA
CRB



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He brings deep insurance industry experience and a strong track record of leadership within the NICO Group. Chimwemwe is a Chartered Insurer, a graduate of the University of Malawi, and a Certified Digital Finance Practitioner. He is recognised for combining operational discipline with strategic insight, with a clear focus on innovation, customer value, and sustainable business performance.

From the Desk of the Group MD



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From understanding money to interrogating what it actually delivers. The question is not simply what something costs, but what it displaces.

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Welcome to NICO MONEY

The first edition of NICO Money coincided with the Minister of Finance's budget speech, anchoring our focus on helping readers navigate the Kwacha and understand the language and mechanics of currency, markets, and personal finance in Malawi. That foundation remains relevant. This second edition moves the conversation forward, from understanding money to interrogating what it actually delivers.

The price of everything is not just about cost. It is about value, trade-offs, and the long-term consequences of decisions made, or avoided, under financial constraint. In a constrained environment, choice is rarely neutral. Every allocation of income carries an implicit sacrifice. The question is not simply what something costs, but what it displaces.

In Malawi, the rising cost of living is no longer just a statistical reference point. It is a very real operating condition. Inflation is not observed at a distance; it is experienced directly, in reduced purchasing power, compressed household budgets, and the steady repricing of basic goods and services. For many, income growth has not kept pace, intensifying the gap between earnings and expenditure.

Yet prices alone do not explain financial behaviour. Social obligation remains a parallel system, often as binding as any market force. In many Malawian households, financial responsibility is distributed rather than individual, extending across immediate and extended family networks. Cultural expectations of support and sharing shape outcomes just as decisively as income levels do. The result is a constant negotiation between provision, obligation, and preservation.

This dynamic is further complicated by the structure of the economy itself. A significant share of financial activity remains informal, where income is variable, planning horizons are short, and buffers are limited. The tension between immediate need and future security becomes more pronounced, and often more difficult to resolve.

At the same time, access to financial opportunity is increasingly mediated by formal systems. A credit record functions as a proxy for trust, determining who can participate, on what terms, and at what cost. Bridging that divide is critical to expanding participation. To ignore it is to accept constraint.

Long-term security raises a related tension. Pensions are frequently treated as a distant concern, yet in an inflationary environment, time is not neutral. What matters is not the nominal amount accumulated, but its future purchasing power.

For the NICO Group, these are not abstract considerations. They define the context in which we operate and the responsibility we carry. Financial services must operate across both formal and informal realities, recognising existing behaviours while enabling greater access, resilience, and long-term security.

This edition does not attempt to resolve these tensions. It isolates them.

What is the true cost of the financial decisions we make today?

What are we gaining, and what are we quietly foregoing?

What does security mean in a system where key variables remain unstable?

And how is resilience constructed when price itself is a moving target?

All assumptions must be tested against the terrain. Because while everything may carry a price, not everything is priced equally. And recognising that gap between cost and consequence may be the most important financial discipline of all.

The questions this edition raises are ones we at NICO live with daily, not as abstractions, but as the practical reality of serving Malawian households, businesses, and institutions through a period of genuine constraint. We do not have all the answers. But we believe that asking the right questions, honestly and in public, is itself a form of service. That is what NICO Money is for. Read it critically. Disagree with it where you must.

Vizenge Kumwenda

**Group Managing Director
NICO Holdings Plc**

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What your money is really worth



The price of everything has a number. In Malawi, that number is 24.1 percent. Here is what it actually means for your household, and why the official figure may be telling only part of your story.

On paper, inflation is a percentage. A monthly release from the National Statistical Office, noted by economists, reported by journalists, and filed away by most people who encounter it. In real life, it is something else entirely. It is the moment at the till when you remove an item you had planned to buy. It is the kabaza fare that has quietly increased again. It is the bag of maize that costs more than it did three months ago.

As of February 2026, headline inflation in Malawi stood at 24.1 percent year on year. That single figure is the Consumer Price Index at work. Understanding what it is, how it is built, and why it may not perfectly reflect your own experience of rising costs is one of the most practical pieces of financial knowledge a household can carry.

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Inflation is not something that is merely reported. It is something that is lived.

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What the CPI actually measures

The Consumer Price Index tracks how the prices of everyday goods and services change over time. In Malawi, it is compiled by the National Statistical Office using a basket of goods representing typical household spending. Maize flour, cooking oil, rent, transport, electricity, and school-related expenses all feature. Each item is weighted according to how much households spend on it. Food carries the largest share of that weight, at 53.7 percent of the basket.

Every month, prices are collected from markets across the country and combined into a single index number. In February 2026, food prices were up 20.8 percent year on year. Non-food items, including transport, rent, and utilities, were nearly 30 percent higher. The headline figure of 24.1 percent sits between the two.

Why it feels different from what you read

The CPI measures an average household. Real households are not average. A family in Ntandire spending most of its income on food will feel the 20.8 percent rise in food prices more acutely than the headline figure suggests. A salaried worker in Blantyre whose largest expense is rent will feel the near-30 percent rise in non-food items as the defining pressure. The same national figure lands differently depending on what you spend your money on.

What 24 percent means in a household

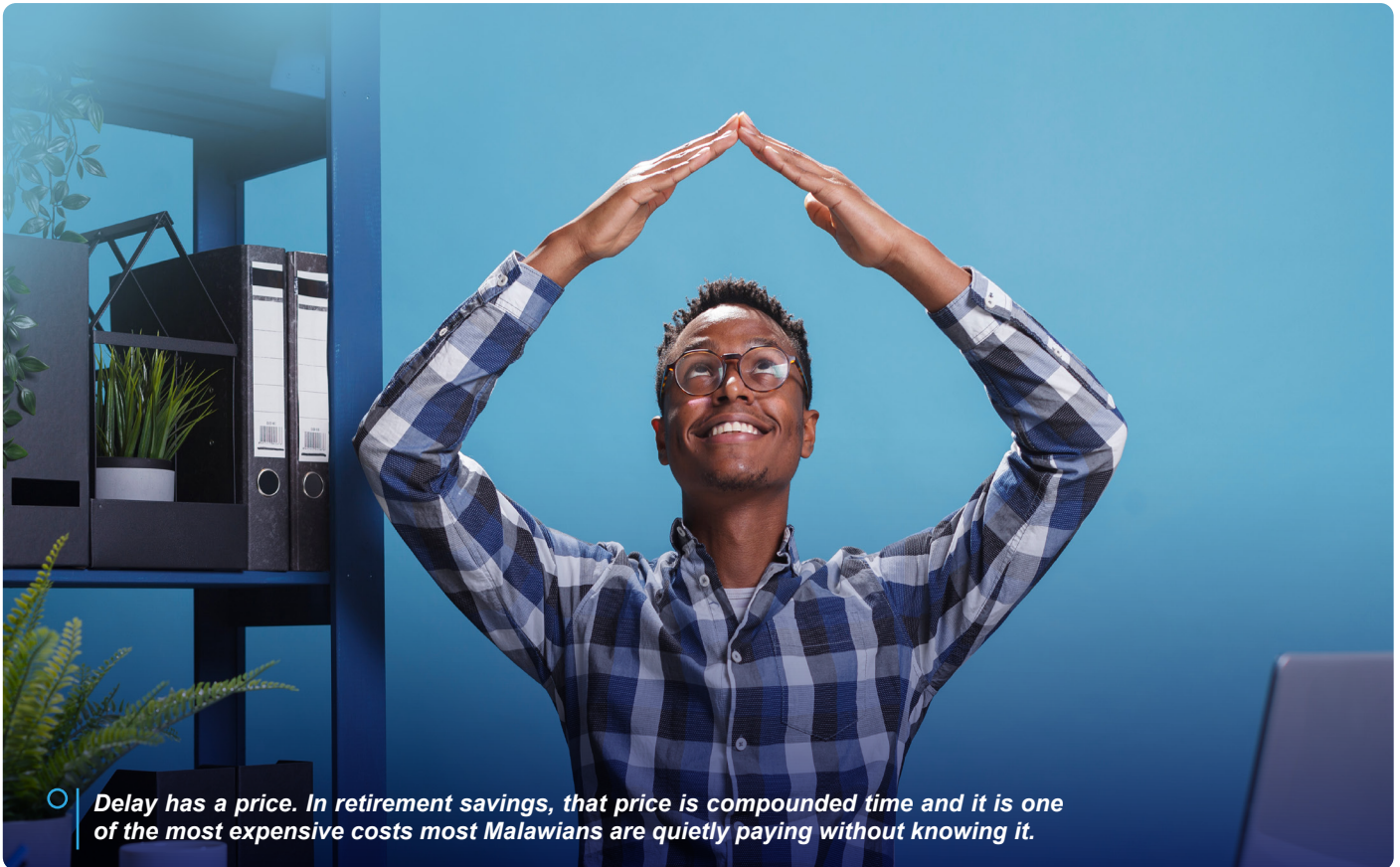
Take a family in Ndirande spending K200,000 a month. A 24 percent rise in prices means they now need an additional K48,000 just to maintain the same standard of living. The adjustments are rarely dramatic. A slightly cheaper brand of cooking oil. Walking for journeys that used to mean a fare. Buying smaller quantities and making them last longer. The basket comes home lighter than it used to, and the difference is not noticed all at once. It is noticed every time.

Reading the CPI differently

When inflation rises, ask what is driving it: food, fuel, or utilities, and which applies most directly to your own spending. When inflation slows, check whether that moderation is reaching the prices you actually pay. The CPI tells the story of the nation. It does not tell the story of the household trying to make it through the month.

Inflation is not something that is merely reported. It is something that is lived. The question, ultimately, is not what inflation is. It is what your money can still afford, and how you adjust when it cannot. 📉

The pension revolution no one is talking about



Delay has a price. In retirement savings, that price is compounded time and it is one of the most expensive costs most Malawians are quietly paying without knowing it.

There is a quiet paradox at the heart of Malawi's financial system. On one side, a workforce of considerable industry. On the other, when it comes to preparing for the one certainty none of us can outrun, a widespread and largely unacknowledged lack of formal retirement provision. This is not a failing of individual discipline. It is the consequence of a system built for the formally employed minority, which left the majority without a mechanism to participate. That is beginning to change.

What a pension is, and why it matters

A pension converts regular contributions, made over a working life, into a reliable income when work ends. It does not ask you to have a large sum available. It asks you to contribute consistently. Time, more than scale, does the work. In Malawi, three types of pension arrangement exist: occupational schemes through employers; the National Pension Scheme for formal sector workers; and personal pension schemes, which are voluntary and individually driven. It is the third category where the most significant shift is now taking place.



The earlier contributions begin, the more compounding works in your favour. Patience has a measurable financial return.



Why most Malawians have been outside the system

More than 80 percent of working adults in Malawi operate outside formal employment and have had no automatic access to employer-backed pension provision. In the absence of formal provision, Malawi developed its own model: family. Children have historically formed part of an implicit expectation of support in later life. It is a system rooted in cultural continuity and genuine affection. It also places significant financial pressure on adult children who are simultaneously managing their own expenses.

The quiet expansion of access

Personal pension structures have begun to shift that boundary. Entry points starting from K1,000 per contribution represent a deliberate decision to make the system accessible rather than exclusive. The question is no longer whether the system can accommodate most Malawians. It is whether they choose to be part of it.

Why we delay, and what that costs

Human beings are built to prioritise the immediate over the distant. School fees, rent, and daily expenses are concrete and present. Retirement is abstract and far away. A decade of delay does not mean a decade of lost contributions. It means a decade of lost growth on those contributions and all the growth they would have generated in turn. That is the real price of procrastination and it compounds silently. ▽

The cost of the conversation we keep avoiding



Malawians plan for weddings, school fees, and car purchases with considerable care. The one certainty that receives the least preparation is death. That gap has a measurable price.

There is a consistency to how Malawian households allocate their attention. Weddings are planned months in advance. School choices are debated with real seriousness. Significant purchases are researched carefully. These are rational behaviours in a constrained environment, where the cost of a wrong decision is felt immediately.

Death operates on a different logic. It arrives without a schedule, does not wait for a convenient moment, and carries no obligation to be proportionate in its financial consequences. And yet it is the one event that most households have done the least to prepare for. What is the true cost of the decisions we avoid?

What unplanned death actually costs a household

The immediate financial demands that follow a death in Malawi are significant. Funeral costs, depending on family circumstances and community expectations, can range from hundreds of thousands to several million kwacha. In a context where funerals carry deep cultural weight and communal participation, the financial expectation is rarely small.

That is only the first layer. Behind it sits the loss of income, often permanent and immediate. School fees must still be paid. Rent and household expenses do not pause. Debts do not dissolve. The practical question that grief forces onto families, sometimes within days, is how they continue from a materially diminished position.



The cost of not planning is not a single event. It is the sequence of compromises that follow, measured over years.



For households already operating without significant financial buffers, the answer to that question often involves selling assets, withdrawing children from school, or absorbing debt that compounds over time. These are not abstract outcomes. They are documented patterns in low-income economies where insurance penetration remains limited.

Why insurance penetration is low in Malawi

The barriers are real but worth examining critically. The most common assumptions about life insurance, that it is expensive, complicated, or relevant only to higher earners, do not hold up against the structure of current products in the market. Entry-level life cover exists and is accessible at contribution levels that, spread across a month, are comparable to other routine household expenses.

The more durable barrier is psychological. Insurance requires spending money today on an event that feels remote, in exchange for a benefit that, if things go well, one never directly receives. This is a structurally difficult proposition to make, and it is compounded in environments where immediate financial pressure is constant and the planning horizon is short.

But the framing matters. The question is not whether insurance is affordable. It is whether the alternative, absorbing the full financial cost of unplanned death without any preparation, is more affordable. For most households, it is not.



Behind every payout is a practical decision made years earlier, by someone who chose preparation over postponement.



What the numbers reflect

The life insurance industry in Malawi is projected to pay out billions of kwacha in claims in 2026. Each payment represents a household that did not have to sell land to cover a funeral. A family that grieved without simultaneously facing financial collapse.

These are not exceptional cases. They are the ordinary function of the product, operating quietly at scale. The industry does not make headlines when it works. It makes headlines when it fails. The absence of visible outcomes in the functioning cases is itself evidence of the protection in place.



Dignity has a price

There is a dimension to this that extends beyond financial calculation. The ability to conduct a funeral with dignity, to grieve without the additional pressure of immediate financial panic, to maintain stability for children during a period of emotional upheaval, these are not luxuries. They are conditions for recovery.

Households that absorb the cost of unplanned death without financial preparation frequently do not recover to their previous position. The compounding effect of asset liquidation, debt, and interrupted education creates a trajectory that is difficult to reverse. Financial planning for death is not a morbid exercise. It is a practical one.

The question worth asking now

The Consumer Price Index tells us that the cost of maintaining a household in Malawi has risen by 24.1 percent over the past year. That means the financial gap created by an unplanned death is wider today than it was twelve months ago. The cost of the same shock is higher.

In that context, the relevant question is not whether life insurance is a priority. It is whether the household has assessed what it would actually cost to absorb the loss of its primary income earner, and whether that cost is one it could carry. For most, the honest answer to that question is the beginning of a more productive conversation. ▀

Contributor | NICO Life

What is your property actually worth?



Owning property without knowing its true value is not security. It is a financial decision made in the dark. In Malawi, the cost of that ignorance can be significant.

A property valuation is not simply an opinion. It is a professional assessment of what a property is worth at a specific point in time, produced by a licensed practitioner using established methodologies, grounded in market evidence, and legally recognised for use by banks, insurers, government institutions, and courts.

In Malawi, valuation is a regulated activity. The Customary Land Act (2016), the Land Act (2016), and the Physical Planning Act (2016) together govern how land is managed, transferred, developed, and valued.

The quiet expansion of access

For a buyer, an independent valuation guards against overpaying in a market where price discovery can be slow and informal. For a seller, it establishes a defensible asking price based on evidence rather than aspiration. Banks require them before issuing mortgage loans. Insurers use them to determine the appropriate sum insured. Where property is inherited or shared amongst family members, a valuation provides the neutral, documented basis on which fair distribution can be agreed.

When government acquires land compulsorily for public projects such as roads, schools, or hospitals, affected landowners are legally entitled to compensation assessed by a registered valuer. That provision exists specifically to protect ordinary landowners from arbitrary or inadequate awards.

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A valuation conducted to a proper standard is not an administrative exercise. It is a financial safeguard.

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The price of not knowing

In an environment where property represents a significant share of household wealth, an accurate valuation is not a luxury. Buying without one means accepting a price without evidence. Selling without one means negotiating from a position of avoidable uncertainty. Taking out a loan, arranging insurance, or settling an estate without one means making consequential financial commitments on the basis of an unknown.

Because valuations inform major financial decisions, the qualifications and registration status of the valuer matter. Only licensed, qualified professionals may carry out valuations under Malawi's land legislation. Engaging an unregistered practitioner may produce a figure, but it will not produce a valuation in any legally or professionally meaningful sense. The risk falls entirely on the person who commissioned it. ▣

Contributor | ERIS Properties Malawi

Three quiet ways professionals lose money, reputation, and data



○ *The price of carelessness in the digital world is rarely paid dramatically. It is paid quietly, one small lapse at a time, until the cost is too large to ignore.*

There is a comforting belief many professionals carry into the digital world. It goes something like this: I am not careless. I am not reckless. I am, in fact, quite sensible. Yet when it comes to how we behave online, even the most composed professionals have a remarkable ability to momentarily abandon good judgement. Not dramatically. Just enough to create problems that unfold later, usually at scale.

Treating your inbox like a friendly place

The modern professional receives an astonishing number of emails. Each appears legitimate enough to deserve a quick response. Cybercriminals have become exceptionally good at imitation. Emails that appear to come from your bank, your supplier, or your chief executive are now crafted with unsettling accuracy. In that moment, speed becomes the enemy of judgement. Redirected payments. Compromised accounts. Exposed data. Not because the system failed, but because the human interface did exactly what it was designed to do: respond quickly. If an email involves money, access, or sensitive information, treat urgency as a warning sign, not a reason to act faster.

Saying too much, too publicly, too permanently

Professionals often underestimate how their online presence intersects with their real-world credibility. Employers, clients, partners, and regulators are increasingly attentive to digital footprints. A single post can undermine your professional neutrality, create reputational exposure, or expose patterns: locations, networks, personal details that, when pieced together, become valuable to someone with less benign intentions. The internet does not forget. It archives without context, tone, or the benefit of explanation.

Using convenience as a security strategy

Passwords are inconvenient. Multi-factor authentication is inconvenient. Updating systems is inconvenient. So naturally, many professionals reuse passwords, delay updates, and trust that nothing dramatic will happen. This works. Right up until it does not. Most data breaches are not the result of sophisticated attacks. They are the result of predictable behaviour.

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In the digital world, it is rarely the complex things that catch people out. It is the simple ones, done repeatedly, with confidence.

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What connects all of these behaviours is not technology. It is familiarity. The email looks familiar. The platform feels familiar. The behaviour is routine. This is what lowers your guard. Pause before you act. Think before you post. Treat convenience with suspicion. ▀

The price of your record

Your credit record is not just a file somewhere in a bureau. It is the price you pay for every financial opportunity you seek and for every one you are quietly denied.

It started on a minibus. A man, somewhere between his stop and Nancholi, was on the phone telling a friend that Credit Data CRB had cost him a loan. His voice carried the frustration of someone who had encountered a system he did not fully understand and paid a price for not understanding it sooner. The question he was carrying is one a growing number of Malawians are beginning to ask: what exactly is a credit reference bureau, and what does it know about me?

What it is

A credit reference bureau is a licensed institution that collects and holds information about how individuals and businesses borrow and repay money. Credit Data CRB has operated since 2011, licensed by the Reserve Bank of Malawi under the Credit Reference Act of 2010. Banks, microfinance institutions, SACCOs, mobile lenders, and other credit providers are required by law to submit data to the bureau every month and to consult it before issuing any loan. The system now includes data from mobile loan providers, which means that borrowing behaviour outside the formal banking sector is increasingly visible.

What a good record and a poor one look like

A loan recorded as current and performing, with no days in arrears, signals that repayments are being made on time. A loan recorded as default means repayment has stopped. These markings affect your access to credit, the interest rate you are offered, and the terms available to you. They are the record of choices made, and they remain on file for a defined period. Responsible behaviour from today changes what lenders see tomorrow.

Inflation is not something that is merely reported. It is something that is lived.

What a good record and a poor one look like

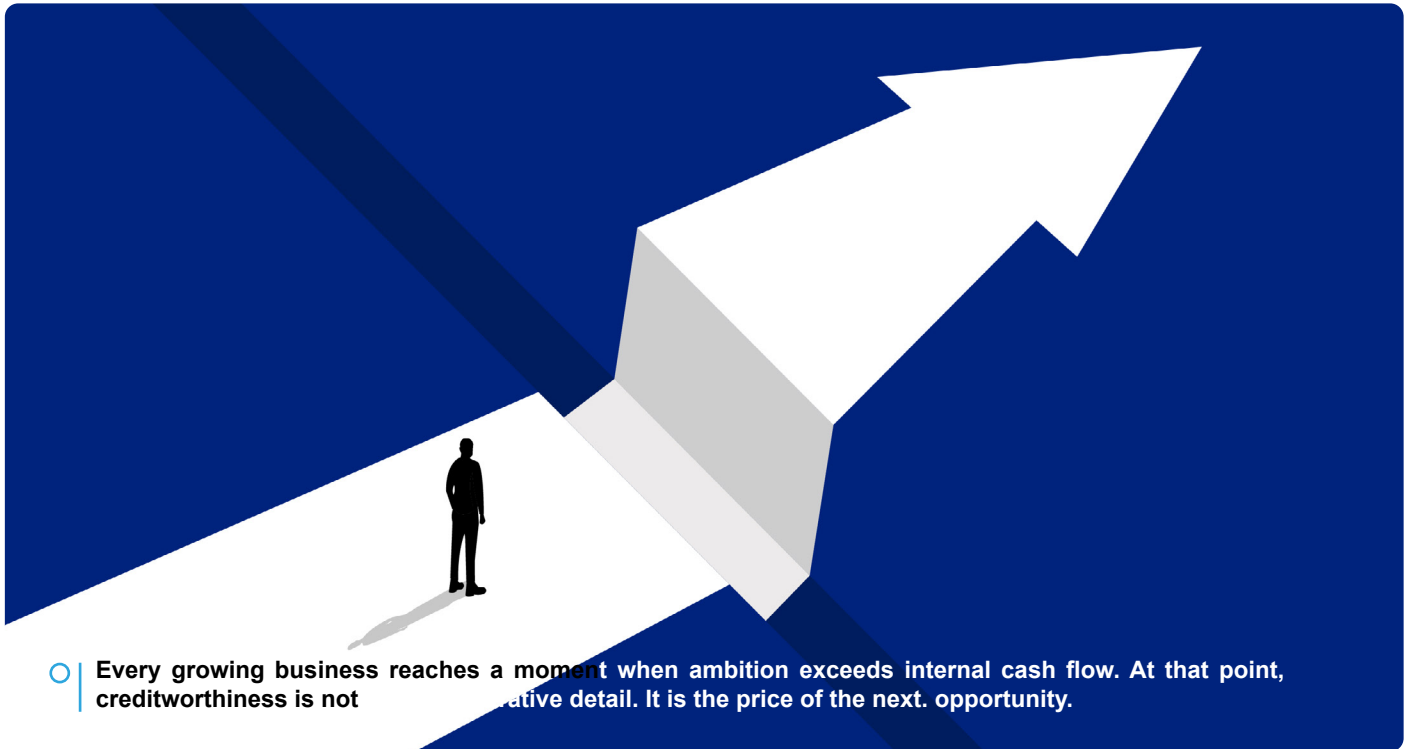
In Malawi's financial services sector, the Reserve Bank requires a fitness and propriety assessment for anyone seeking approval for a significant role in a registered institution. A compromised credit history is grounds for disqualification. More broadly, employers in financial services are increasingly using credit checks as part of background screening. A clean credit record is no longer simply a condition for borrowing. In certain careers, it is a condition for advancement.

Every individual is entitled to view their credit report once a year at no cost. That entitlement is worth using before you need it, not after. A credit report is not a verdict. It is a record. And records, unlike many other things, can be changed. 📌



Contributor | Credit Data CRB

The bridge between ambition and capital



- Every growing business reaches a moment when ambition exceeds internal cash flow. At that point, creditworthiness is not a detail. It is the price of the next opportunity.

Expansion into new markets, construction of infrastructure, acquisition of equipment, or scaling operations all require external financing. John Maynard Keynes once wrote that the importance of money flows from it being a link between the present and the future. Credit plays exactly that role. It allows businesses to invest today using tomorrow's expected returns, where expectations about the future shape every financial decision in the present.

How investors see credit risk

Credit is not only about repayment. It is about confidence. When structuring capital raising or project finance transactions, investors assess governance quality, financial discipline, debt repayment track record, transparency of reporting, and management credibility. No single factor is decisive. Taken together, they form a picture of institutional readiness. A strong credit profile signals that the business is prepared for partnership, not just borrowing.

What weak credit actually costs

A weaker credit profile may lead to smaller loan approvals, shorter repayment tenors, higher collateral requirements, higher interest costs, and reduced investor participation. Over time, these constraints slow growth. In contrast, strong credit reduces financing friction, allowing businesses to move faster when opportunities arise. The cost of weak credit is not just the interest rate. It is the compounding disadvantage of every opportunity accessed on worse terms.



Credit is not only about repayment. It is about confidence. And confidence, built over time through consistent financial behaviour, attracts capital on the best possible terms.



Building credit is building trust

Creditworthiness is built gradually through consistent financial behaviour: paying obligations on time, managing debt responsibly, maintaining accurate financial records, avoiding excessive borrowing, and engaging transparently with lenders. These are not extraordinary actions. They are the disciplines of a well-run organisation, applied with enough consistency to become a reputation. Reputation that is not formally recorded is invisible to the financial system. Credit records make it visible.



Why it matters for Malawi's growth

At a national level, strong credit cultures support stronger economies. When individuals and businesses maintain reliable repayment histories, banks lend more confidently, investors enter markets more readily, and financing costs decline across the system. Credit reference systems therefore do more than track borrowing behaviour. They strengthen the entire financial ecosystem. The choices individuals and businesses make now are contributing to a national credit culture. And national credit cultures, once established, shape the cost and availability of capital for a generation.

Contributor | NICO Capital



The economy at a glance

February 2026 in six numbers. Each one a different dimension of the same underlying question: what is everything costing us right now?

February 2026 delivered cautious grounds for optimism alongside persistent structural pressures. Headline inflation edged down modestly. The Reserve Bank cut its policy rate for the first time in a cycle of tightening. Bond yields fell sharply. But maize prices surged to a level not seen in recent lean seasons, the kwacha weakened further on the informal market, and the stock exchange declined. The picture is one of a market beginning to turn, unevenly.

What to watch

The maize price surge is the most immediate concern for household budgets. The widening gap between the official and informal kwacha rates signals ongoing foreign exchange stress. The policy rate cut signals that the Reserve Bank sees inflation moving in the right direction. If that trajectory holds, borrowing costs should begin to ease over the second half of 2026.



KEY INDICATORS

<p>24.09%</p> <p>Headline Inflation Eased from 24.91%. Food prices fell; non-food pressures remain elevated.</p>	<p>MK 1751</p> <p>Kwacha Official rate Stable officially. Informal rate reached MK3,900 — a gap of MK2,149.</p>
<p>24.0%</p> <p>Policy Rate Policy rate. MPC cut by 200bps on 4 to 5 March 2026, reflecting improving inflation dynamics.</p>	<p>530m MK</p> <p>Foreign Reserves Unchanged at 2.1 months of import cover. Below the adequacy threshold.</p>
<p>MK 1718 /kg</p> <p>Maize Price Maize price. A 32% surge from MK1,304. Poor 2024 harvest and import dependence drove the lean-season</p>	<p>-2.42%</p> <p>MASI MASI. Malawi All Share Index fell to 574,679.80 points. OMU led gainers at +21.37%.</p>

Source: RBM, NSO, MSE. Based on NICO Asset Managers Monthly Economic Snapshot, February 2026. For informational purposes only. Does not constitute investment advice.



Understanding Your Investments

Every financial decision has a cost and a return. Understanding the basics of investing is one of the most direct ways to ensure your money is working in your favour, not against it.

Q What is investing?

A Investing is the process of putting money into financial assets or opportunities with the expectation of earning a return over time. Returns may come as interest, dividends, or an increase in the value of your asset.

Q Why should I invest?

A Investing helps your money grow, protects against inflation, and supports long-term financial goals such as buying property, funding education, or building a retirement income. Left in a savings account, money loses real value over time as prices rise.

Q What are the common types of investments?

A Common investments in Malawi include fixed deposits, shares (equities), and government securities such as Treasury Bills and Treasury Notes. Each carries a different risk and return profile.

Q Is investing risky?

A Yes, all investments carry some level of risk. Risk levels vary depending on the type of investment and can be managed through diversification and proper planning.

Q What is a return on investment?

A A return is the profit you earn from your investment as interest, dividends, or an increase in market value. Returns are typically expressed as a percentage of the original amount invested.

Q How long should I invest for?

A The investment period depends on your financial goals. Treasury Bills suit short-term needs. Shares and pension contributions are better suited to long-term growth. The longer the horizon, the more compounding works in your favour.



Understanding your investments

Investing is one of the most effective ways to grow your wealth and secure your financial future. Whether you are just starting out or looking to expand your portfolio, understanding how investments work is key to making informed decisions.

Q Can I lose money when investing?

A Yes, particularly in market-based investments such as shares. However, informed decisions, diversification, and professional guidance can significantly reduce potential losses.

Q What is diversification?

A Diversification means spreading your money across different types of investments to reduce risk and improve potential returns. It is the financial equivalent of not placing all your eggs in one basket.

Q Do I need a lot of money to start investing?

A No. Depending on the product, you can begin with smaller amounts and grow your investment over time. Regular contributions, even modest ones, compound meaningfully.

Q How do I get started?

A Start by setting clear financial goals and understanding your risk tolerance. Then choose investment options that align with both, ideally with guidance from a qualified financial professional.



Staying informed and making thoughtful decisions is key to building lasting wealth. Stay curious, stay intentional, and never underestimate the power of starting.



ONE NICO

Integrated Financial Services for Malawi's Future

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NICO Asset Managers | NICO Pension Services
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