

Daily Stock Market Review – 7 December 2017

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BOV & HSBC drag MSE Equity Price Index lower

The **MSE Equity Price Index** erased some of yesterday's gains as it slipped by 0.24% to 4,413.276 points. Overall, the drops in the share prices of five equities, including BOV & HSBC, outweighed the gains in RS2 (+1.3%) and Lombard (+0.5%). Today's trading session was also characterised by various company announcements issued by BOV, MIA, Farsons and Malta Properties. During this shortened week, the local equity index shed 0.23%

Bank of Valletta plc moved back to the €1.75 level (-1.1%) across 21,252 shares. The 1-for-4 Rights Issue ended yesterday and today the bank revealed that it received subscriptions for a total amount of €197 million, resulting in an oversubscription of approximately €47 million. The Bank noted that subscriptions received from existing shareholders and/or their assignees exceeded the amount of 105 million new shares on offer. Existing shareholders or their assignees that applied for part or all of their proportionate entitlement will be allocated all amounts applied for. Moreover, subscriptions for lapsed rights by existing shareholders will be scaled down in accordance with the allocation policy to be announced by BOV by 19 December 2017. Refunds of unallocated monies in respect of lapsed rights applied for by existing shareholders will be affected by 28 December 2017.

Within the same sector, **HSBC Bank Malta plc** slipped by 0.1% to the €1.799 level on a single deal of just 2,700 shares and **FIMBank plc** retreated to the USD0.61 level (-0.8%) across 210,600 shares.

Malta Properties Company plc extended its recent negative trend as the equity lost a further 1.1% to €0.455 level (the lowest closing price for this equity) across 24,890 shares. This morning, MPC issued a company announcement updating the market on the sale process of the Sliema Old Exchange previously disclosed on 31 January 2017. In this respect, the company has now revealed that the promise of sale agreement that was valid and effective up to the 31 January 2018 has been extended till 1 August 2018.

The equity of **Simonds Farsons Cisk plc** also performed negatively today with a drop of 1.1% back to the €8.90 level across 2,300 shares. Today, Farsons announced that the Planning Authority Board unanimously approved a permit for the creation of a business park along Mdina Road, Mriehel ("Trident Park"). The development is expected to commence during the first half of 2018 and is scheduled to be completed within 3 years.

Meanwhile, **RS2 Software plc** advanced by 1.3% to recapture the €1.52 level across 6,580 shares.

The equity of **Lombard Bank Malta plc** traded for the first time in the last nine trading sessions as it gained 0.5% to the €2.211 level on a single deal of 5,000 shares.

Today, **Malta International Airport plc** published the November 2017 traffic results revealing a 15.8% increase in passenger movements over November 2016 to 405,724 movements – a record for the month of November. The growth registered last month was due to the 19.2% increase in seat capacity. Meanwhile the seat load factor dropped to 79% compared to 82.4% in November 2016.

The **RF MGS Index** trended lower for the first time in five days as it slipped by a minimal 0.03% from its over five-month high of 1,133.941 points to 1,133.654 points. Euro zone sovereign yields remained under pressure today despite upbeat GDP growth data across the single currency area in Q3 2017. Concerns over a possible US government shutdown if lawmakers fail to reach a budget accord this week continued to mount. Moreover, geopolitical tensions in the Middle East rose after US President Mr Donald Trump indicated that the US will be recognising Jerusalem as the capital city of Israeli (replacing Tel Aviv). Week-on-week, the RF MGS Index surged by 0.39% – the sharpest gain in five weeks.

Trading in the newly listed **3.75% Virtu Finance plc 2027** commenced today with the bond surging by 200 basis points to 102%.

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Stock markets are volatile and subject to fluctuations which cannot be reasonably foreseen. Past performance is not necessarily indicative of future results.