

Daily Stock Market Review – 12 October 2017

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MSE Equity Price Index posts sharpest gain in 2 months

The **MSE Equity Price Index** trended higher for the first time in five trading sessions as it rebounded strongly by 0.75% to a three-day high of 4,674.686 points. Trading activity was spread across ten equities – five moved higher, four finished unchanged whilst only RS2 registered a decline. Over 60% of today's trading activity took place in three shares – RS2, HSBC and MIDI. Overall, the total value of equities traded surged to a one-month high of €0.86 million.

RS2 Software plc closed below the €1.70 mark for the first time in fifteen weeks. The equity eased by 0.1% to the €1.699 level after recovering from an intra-day low of €1.68 (-1.2%). A total of 161,702 shares traded.

Strong volumes were also traded in **HSBC Bank Malta plc** as the equity rebounded by 2.8% from its 2017 low of €1.85 to the €1.901 level on eight deals totalling 86,825 shares.

Also among the large companies by market capitalisation, **International Hotel Investments plc** surged 2.3% to the €0.614 level across 126,995 shares and **Malta International Airport plc** gained 0.5% back to the €4.57 level on 1,808 shares. Last Monday, MIA published its September 2017 traffic results revealing a 16.7% increase in passenger movements compared to September 2016 – a record for the month of September and the third consecutive month in which passenger movements surpassed the 600,000 mark. The growth registered in September 2017 was due to the 17.0% increase in seat capacity whilst the seat load factor remained constant at 86.7%. During the period between January and September 2017, MIA welcomed 4.63 million passengers, representing a 19% increase over the previous corresponding period. In July, the airport operator updated its 2017 passenger growth forecast to 5.8 million passenger movements (representing a growth of between 14% and 16%).

MaltaPost plc and **PG plc** advanced by 3.1% and 0.7% to regain the €1.98 and €1.46 levels respectively. Trading activity in both equities was weak. The postal operator is due to publish its FY2016/17 full-year results on Monday 11 December 2017.

In contrast, **MIDI plc** maintained the €0.31 level on strong volumes totalling 355,000 shares.

Within the same sector, **Tigne' Mall plc** also closed the day flat at the €0.96 level across 55,500 shares.

Bank of Valletta plc continued to trade within a tight range and ended today's trading session at the €2.10 level on ten deals totalling 37,431 shares.

Medserv plc held on to the €1.24 level across 77,000 shares.

The **RF MGS Index** extended yesterday's gains by a further 0.2% to a near one-month high of 1,123.461 points. Euro zone sovereign yields trended lower today as minutes of the US Federal Reserve monetary policy meeting held last month that were published yesterday showed that some policymakers are still concerned about the risks of low inflation. Meanwhile, fresh economic data within the single currency area was mixed as

inflation in France for the month of September disappointed but industrial production in all of the euro area in August beat expectations.

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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.