

## **Daily Stock Market Review – 14 December 2017**

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### **MSE Equity Price Index lower on reduced activity**

The **MSE Equity Price Index** trended lower for the first time this week as it dropped by 0.7% to 4,439.091 points as the declines in six equities outweighed the gains in three other shares. Meanwhile, GO and Plaza closed the day unchanged.

Following the notable gains registered in the previous two trading sessions, the equity of **FIMBank plc** plunged by 12.9% back to the USD0.61 level albeit on light volumes totalling 5,571 shares.

Within the same sector, **HSBC Bank Malta plc** shed 1.7% to the €1.76 level on trivial volumes.

A single deal of just 1,476 shares forced the equity of **Malta International Airport plc** slightly lower to the €4.679 level.

**PG plc** retreated by 2.1% to a near three-month low of €1.42 on four deals totalling 18,500 shares. The company's Board of Directors is scheduled to meet on Wednesday 20 December 2017 to approve the interim financial statements for the six-month period ended 31 October 2017.

In the property segment, **Malita Investments plc** (20,000 shares) eased by 0.7% to the €0.75 level whilst **Malta Properties Company plc** (42,430 shares) shed 0.5% to its lowest price at the €0.44 level.

In contrast, **Plaza Centres plc** maintained the €1.02 level across 4,400 shares.

**GO plc** also closed the day unchanged at the €3.55 level after opening 1.4% lower at the €3.50 level across a total of 1,000 shares.

Meanwhile, **Bank of Valletta plc** regained the €1.83 level (+0.5%) across 16,710 shares.

**Medserv plc** rebounded by 1.8% to the €1.14 level on volumes totalling 31,000 shares whilst a single deal of 32,000 shares lifted the equity of **International Hotel Investments plc** 1.1% higher to the €0.627 level.

The **RF MGS Index** slumped by 0.37% – the sharpest daily drop in over a month – to 1,129.614 points as euro zone sovereign yields were substantially higher today when compared to last Tuesday following the conclusion yesterday of the two-day monetary policy meeting of the US Federal Reserve. As widely expected, the Fed raised interest rates by 25 basis points to a range between 1.25% and 1.50% and also maintained its earlier forecasts of a further three interest rate hikes in 2018. Meanwhile, the European Central Bank and the Bank of England also held their respective monetary policy meetings today. The ECB maintained its monetary policy unchanged but reiterated its readiness to extend monetary stimulus if required. On the other hand, although the Bank of England held its benchmark interest rate at 0.5%, it also indicated that “*further modest increases*” in interest rates are likely to be needed in the future to bring down inflation which is currently running at above its target level of 2%.

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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.*