

## **Daily Stock Market Review – 20 July 2017**

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### **HSBC and MIA pull the MSE Share Index lower**

The **MSE Share Index** posted a three-day negative streak as it declined by a further 0.24% to 4,719.097 points. Trading activity was spread across eleven equities: four moved lower, another four closed the day unchanged whilst only three shares posted gains. The total value of equites traded improved to a four-day high of €0.3 million.

**Malta International Airport plc** lost 1.2% back to the €4.10 level on encouraging volumes totalling 29,674 shares. The airport operator is due to reveal its six-month financial performance on 26 July.

Also among the large companies by market capitalisation, **HSBC Bank Malta plc** retreated by 1.6% to an over six-week low of €2.02 across 43,087 shares. The Bank is due to reveal its interim financial results on 31 July.

In the property segment, **Malita Investments plc** slumped 4.1% to a fresh twenty-nine-month low of €0.70 on five deals totalling 27,144 shares.

**Tigne' Mall plc** also performed negatively today with a drop of 1% back to the €0.96 level albeit on light trading volumes. The Company's Board of Directors is scheduled to meet on 10 August 2017 to consider and approve the interim financial statements for the half-year ended 30 June 2017. The Directors will also consider the payment of an interim dividend.

Low trading activity also took place in the equities of **Medserv plc**, **PG plc** and **RS2 Software plc**. All three shares traded unchanged at €1.275, €1.32 and €1.85 respectively.

**International Hotel Investments plc** also finished the day flat at the €0.62 level across 22,000 shares.

**Bank of Valletta plc** gained 0.2% to the €2.165 level across 9,590 shares whilst BOV's insurance associate – **Mapfre Middlesea plc** – climbed 0.3% to the €1.87 level on two deals totalling 5,000 shares. BOV is scheduled to hold an Extraordinary General Meeting on Thursday 27 July 2017 ahead of a €150 million rights issue.

The other positive performing equity today was **FIMBank plc** which advanced by 2% to the USD0.76 level across 18,777 shares. The trade finance specialist is due to reveal its six-month financial performance on 9 August.

On the bond market, the **RF MGS Index** trended lower for the first time in eight days as it eased by 0.08% from its two-week high of 1,121.368 points to 1,120.496 points. Euro zone sovereign yields gained ground this morning ahead of the European Central Bank's (ECB) monetary policy meeting held this afternoon as fresh producer prices data in Germany beat forecasts. However, yields reversed course and started dropping again after the ECB maintained its monetary policy unchanged (as widely expected) and left the possibility of increasing its monthly purchases of assets. The ECB noted that its current quantitative-easing programme will continue until the end of December 2017 "*or beyond, if necessary*". Furthermore, the ECB added that it "*continues to expect the key ECB interest rates to remain at present or lower levels for an extended period of time, and well past the horizon of the net asset purchases*."

Yesterday, **Simonds Farsons Cisk plc** announced that its Board of Directors resolved to redeem the outstanding €15 million 6% bonds on 13 September 2017. The Directors also resolved to submit an application to the Listing Authority of the Malta Financial Services Authority in connection with a new €20 million unsecured bond issue maturing in 2027.

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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.*