

Daily Stock Market Review – 23 August 2017

Edward Rizzo

Director

Rizzo, Farrugia & Co (Stockbrokers) Limited

HSBC and Tigne' Mall drag the MSE Share Index lower

The **MSE Share Index** extended yesterday's decline of 0.52% by a further 0.05% to a one-week low of 4,665.943 points, mainly reflecting the 1% drop in the share price of HSBC. Coupled with the negative performance of Tigne' Mall, these two equities together outweighed the gains in three other shares. Trading volumes remained below the daily average volume as €0.24 million worth of shares changed hands.

Five deals totalling 8,506 shares pulled the equity of **HSBC Bank Malta plc** 1% lower to the €1.901 level.

The other negative performing equity today was **Tigne' Mall plc** which lost 0.3% to the €0.977 level albeit on trivial volumes of just 1,500 shares.

Low trading activity also took place in **Malta Properties Company plc** as the equity regained the €0.53 level (+2.9%) across 3,405 shares only.

PG plc climbed 0.7% to recapture its all-time high of €1.40 on a single deal of 14,100 shares whilst **Bank of Valletta plc** advanced 0.2% to the €2.14 level across 30,230 shares.

Meanwhile, both **GO plc** and **RS2 Software plc** closed the day unchanged. GO maintained the €3.599 level across two deals totalling 27,300 shares while RS2 traded again at the €1.78 level (22,000 shares). RS2 is expected to publish its 2017 interim results by the end of this month.

Medserv plc is imminently due to publish its interim financial statements following a Board of Directors meeting being held today. Meanwhile, tomorrow, **Lombard Bank plc** and **International Hotel Investments plc** are expected to issue their respective interim financial statements.

On the bond market, the **RF MGS Index** moved lower for the first time in the last five days as it slipped by 0.09% from its near eight-week high of 1,130.713 points to 1,129.656 points. Euro zone sovereign yields edged higher today following the publication of positive readings from surveys gauging the level of confidence amongst purchasing managers in the manufacturing and services sectors in Germany, France and the whole of the euro zone. Meanwhile, in a speech this morning the ECB President Mario Draghi defended the deployment of unconventional monetary policy by the central bank in recent years, but acknowledged that there are still gaps in the proper understanding of any of its effects on the real economy. In the US, further political uncertainty loomed after President Donald Trump asserted that he is even ready to shutdown government for fulfilling his electoral pledge of building a wall along the border with Mexico.

Trading in the newly listed €15 million **4.5% Grand Harbour Marina plc 2027** bonds commenced today. The bond rallied by 300 basis points to 103% on volumes totalling €87,000 nominal.



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