

## **Daily Stock Market Review – 9 August 2017**

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### **BOV, HSBC & IHI lift MSE Share Index**

The **MSE Share Index** trended higher for the second consecutive session with an uplift of a further 0.87% to 4,677.919 points as the three largest equities by market capitalisation trended higher. On the other hand, the other six active equities ended today's session in negative territory.

Following four consecutive sessions of declines, the share price of **Bank of Valletta plc** advanced by 3.1% to the €2.06 level across 27 trades totalling 63,110 shares. Earlier this week, BOV published its extracts from the management accounts covering the first six months of 2017. During the period, the BOV Group reported a 7.9% increase (excluding the €22 million one-off gain registered in the first half of 2016) in pre-tax profits to €68 million as the downward pressure on net interest income was outweighed by the growth in non-interest income as well as a €6 million reversal of impairments. The Bank will publish another set of results covering the 12-months ending 30 September by the end of October and preliminary results covering the fifteen months ending 31 December (BOV is changing its financial year end) by the end of March 2018. BOV is also planning a €150 million rights issue to strengthen its capital base.

Similarly, **HSBC Bank Malta plc** moved 0.9% higher to the €1.998 level on very thin volumes of 759 shares despite turning ex-dividend. The net interim dividend of €0.03 per share will now be paid on 11 September.

Insignificant trading activity was also evident in **International Hotel Investments plc** as 2,000 shares changed hands at the €0.618 level representing a 2.8% increase over the previous closing price.

On the other hand, **FIMBank plc** eased minimally lower to the USD0.799 level across four deals totalling 120,000 shares. FIMBank is expected to publish its interim financial statements following a Board of Directors meeting held today.

In the financial services sector, **Mapfre Middlesea plc** also trended in negative territory with a 2.1% drop back to the €1.86 level on low volumes of 572 shares.

**Medserv plc** also eased 0.6% lower back to the €1.362 level on shallow volumes of 4,034 shares. Medserv is scheduled to reveal its 2017 interim results on 23 August.

Similarly, the equity of **MaltaPost plc** retreated by 1% back to the €1.98 level across 8,226 shares.

In the property segment, **Malta Properties Company plc** slid by 1% to a new 2017 low of €0.50 on volumes of 93,270 shares. Yesterday, the Company published its 2017 interim results revealing a 21.6% drop in pre-tax profits to €0.73 million largely due to a decline in revenue as well as an increase in administrative expenses. The Directors did not declare an interim dividend in view of the company's upcoming development projects.

**Malita Investments plc** also eased minimally lower to €0.759 on just 3,000 shares. This morning, the company published its 2017 interim results revealing a 97.4% increase in pre-tax profits to €9.69 million. However, after accounting for a tax charge of €8 million (mainly related to deferred tax provisions on the company's investment properties), the

net profit for the period under review amounted to €1.68 million (June 2016: €3.9 million). The Directors recommended an improved net interim dividend of €0.00858 which is payable on 7 September to all shareholders as at the close of trading on Wednesday 16 August.

On the bond market, following three consecutive sessions of increases, the **RF MGS Index** eased 0.1% today to 1,127.04 points despite further downward pressure across most eurozone yields in view of the rising tensions between the US and North Korea.

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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.*