

Local Stock Market Report for the period 2 – 6 July 2018

HIGHLIGHTS

- MSE Equity Price Index posts best weekly performance in 4 weeks
- RF MGS Index resumes recent upward trend as yields drop on trade concerns
- Various corporate bonds trend lower
- New Bond Issue by Hill Finance Company plc

MSE Equity Price Index posts best weekly performance in 4 weeks

The **MSE Equity Price Index** erased last week's decline as it ended this first week of July 0.81% higher at 4,395.867 points after partially retreating from a one-month high of 4,411.535 points recorded on Wednesday. Moreover, trading volumes rose significantly to a six-week high of €2.05 million, largely on the back of heightened activity in the equities of GO and MIA which together accounted for over 50% of this week's total value of equities traded.

Malta International Airport plc added 1.4% to regain the €5.05 level on volumes totalling 84,090 shares.

Bank of Valletta plc continued to trade within a tight range as the equity moved 0.9% higher to close the week at the €1.745 level across 119,751 shares.

Also in the banking sector, **FIMBank plc** rebounded by 6.9% to reach the USD0.54 level albeit on light volumes totalling 13,590 shares.

Trident Estates plc recaptured the €1.31 level (+3.1%) across 21,500 shares whilst **MIDI plc** added 2.9% to the €0.49 level after momentarily trading at a new record high of €0.492 on Tuesday. A total of 261,229 MIDI shares changed hands this week.

Malita Investments plc touched a fresh 2018 high of €0.895 (+3.5%) before partially retreating back to the €0.89 level which still represents a 2.9% weekly uplift on total volumes of 47,567 shares.

The best performing equity this week was **Medserv plc** as it surged by 15% to an over three-month high of €1.15 across 20,000 shares. In an interview with the company's Chairman published last Sunday, it was revealed that several companies have showed an interest in acquiring a sizeable stake in Medserv.

Simonds Farsons Cisk plc surpassed the €7.00 mark again as it reached an over four-month high of €7.20 (+4.3%) on Thursday before easing back to end the week at the €7.15 level (+3.6%). A total of 24,213 shares traded having a total value of €0.17 million.

In contrast, **GO plc** shed 1.2% to drop back to a fresh 2018 low of €3.30 after failing to

hold on to an intra-week high of €3.44. Trading in the equity was robust as 191,045 shares having a market value of €0.65 million changed hands.

RS2 Software plc extended last week's drop of 0.8% by a further 3.2% decline back to the €1.20 level across 30,970 shares.

Malta Properties Company plc shed 3.8% to the €0.50 level on heightened activity totalling 312,310 shares.

Negative performances were also registered by **MaltaPost plc** and **GlobalCapital plc**. The postal operator dropped by 2.4% to a near three-year low of €1.66 whilst GlobalCapital moved to a new all-time low of €0.28 (-3.4%). Trading volumes in both equities was low.

On the Alternative Companies List, **Loqus Holdings plc** tumbled by 30% to its all-time low of €0.07 across 63,844 shares.

Meanwhile, **PG plc** held on to the €1.33 level across 14,850 shares. Today, PG announced that with effect from next Monday, the Zara shopping complex located in Sliema will be temporarily closed for a period of approximately three months due to the extensive construction works being carried out for the enhancement and extension of the same building.

International Hotel Investments plc (1,330 shares) and **HSBC Bank Malta plc** (75,096 shares) also closed the week unchanged at the €0.66 and €1.84 levels respectively. HSBC is due to publish its 2018 interim results on 6 August. The Board of Directors will also consider the declaration of a dividend.

This week, **Plaza Centres plc** and **Lombard Bank Malta plc** also revealed the date of the publication of their respective interim financial results. Plaza will publish its half-year results on 24 July whereas Lombard will reveal its interim results on 23 August. Both equities remained inactive this week.

RF MGS Index resumes recent upward trend as yields drop on trade concerns

Last week's drop in the **RF MGS Index** was short-lived as it reached a near seven-week high of 1,105.133 points on Tuesday before partially easing to 1,103.211 points which still represents a weekly increase of 0.19%.

Overall, movements in the bid prices of the Central Bank of Malta for Malta Government Stocks were mostly driven by heightened downward pressure on euro zone sovereign yields which, in turn, reflected growing concerns on the introduction of a number of trade tariffs on goods flowing between the US and China. The two longest-dated Malta Government Stocks – the 3% MGS 2040 and the 2.4% MGS 2041 – registered the largest gains this week as they each advanced by 102 basis points. The 2.1% MGS 2039 added 91 basis points to 101.9% whilst all other Malta Government Stocks with maturities between 2029 and 2036 recorded more modest gains.

Within the euro area, movements in sovereign yields were also briefly impacted by political uncertainties in Germany on reports that the interior minister threatened to offer his resignation (which was later withdrawn) over disagreements with Chancellor Angela Merkel on the issue of EU immigration, as well as reports that some ECB members believe that a rate hike should be announced in September or October of next year and not left until the December 2019 meeting.

Meanwhile, economic data published this week was mostly positive. In particular, the unemployment rate within the single currency area dropped to a multi-year low of 8.4% whilst confidence among purchasing managers in the manufacturing and services sectors pointed towards a sustained rebound in sentiment. Moreover, factory orders and industrial production in Germany increased notably and much more than expected in May, indicating that Europe's powerhouse economy is back in expansion mode possibly also due to a decline in the value of the euro currency during the same month (particularly against the USD) which boosts the relative attractiveness of export products from Europe.

Various corporate bonds trend lower

The **RF Malta Corporate Bond Index** shed 0.19% to 1,061.875 points as most local corporate bonds ended the week in negative territory, including three of the most actively traded – namely, the **4.25% GAP plc 2023**, the **4.0% Stivala Group Finance plc 2027**, the **5.1% 6pm Holdings plc 2025** and the **4.5% Medserv plc 2026**.

With respect to the 6pm Holdings plc bonds, the Listing Authority lifted the suspension of listing and trading on the bonds on Tuesday following the overdue publication of the Company's financial statements for the twelve-month period ended 31 October 2017 as well as the interim results covering the six months ended 30 April 2018. As trading

resumed on Tuesday, the bonds tumbled by 550 basis points to 94% on volumes totalling €131,000 nominal. Downward pressure persisted throughout the week albeit on reduced volumes, forcing the bonds to end the week at an all-time low of 92.95%.

New Bond Issue by Hili Finance Company plc

On 6 July, **Hili Finance Company plc** issued a formal notice in connection with a €40 million bond issue having a coupon of 3.85% and maturing in 2028. The guarantor of the bonds is **Hili Ventures Limited** which, in turn, is also the parent company of **1923 Investments plc**, **Hili Properties plc** and **Premier Capital plc**. The proceeds from the new bonds will be used for re-financing a number of existing borrowings, for the settlement of outstanding balances due to APM Holdings Limited (which is a major shareholder in Hili Ventures Limited), as well as to part-finance certain capital investments. Further details are available [here](#).



ANNOUNCEMENTS

3 July 2018	HSBC Bank Malta plc - Board Meeting http://rizzofarrugia.com/news-events/2018/board-meeting-hsb1805/
4 July 2018	Lombard Bank Malta plc - Board Meeting http://rizzofarrugia.com/news-events/2018/board-meeting-lom1804/
5 July 2018	Plaza Centres plc - Board Meeting http://rizzofarrugia.com/news-events/2018/board-meeting-pzc1803/
6 July 2018	PG plc - Zara Shopping Complex Extension Project http://rizzofarrugia.com/news-events/2018/zara-shopping-complex-extension-project-pg1802/
6 July 2018	Hili Finance Company plc - Details of New Bond Issue http://rizzofarrugia.com/news-events/2018/details-of-new-bond-issue-hilifin1801/

FINANCIAL ARTICLES

Article 545 / Weekly	Equity market developments in Q2 http://rizzofarrugia.com/financial-articles/weekly/equity-market-developments-in-q2/ <i>An article by Edward Rizzo analysing the main highlights of the local equity market which took place in the second quarter of 2018.</i>
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UPCOMING EVENTS

13 July 2018	MIDI plc – Dividend Payment Date
16 July 2018	International Hotel Investments plc – Dividend Payment Date
18 July 2018	Tigne' Mall plc – Dividend Payment Date
20 July 2018	Mapfre Middlesea plc – Interim Results
24 July 2018	Plaza Centres plc – Interim Results
26 July 2018	European Central Bank – Monetary Policy Meeting

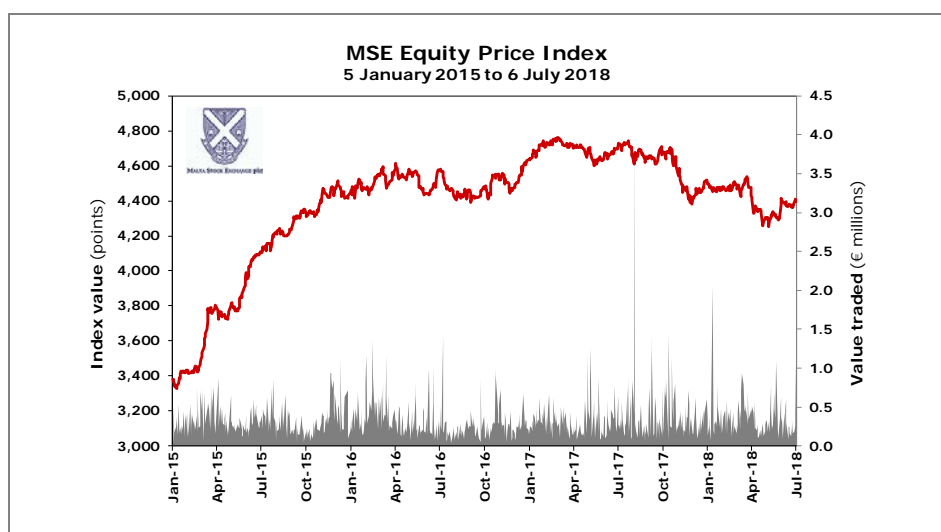


EQUITY MARKET

	No. of shares traded	Market Value (€)	No of Deals	Closing Price (€) 06.07.18	Closing Price (€) 28.06.18	Change in Closing Price (%)	Last Trade Date
OFFICIAL LIST							
Bank of Valletta plc	119,751	208,144	47	1.745	1.730	0.87%	(06.07)
HSBC Bank Malta plc	75,096	138,135	15	1.840	1.840	N/C	(05.07)
Malta Int. Airport plc	84,090	420,677	17	5.050	4.980	1.41%	(06.07)
Int. Hotel Inv. Plc	1,330	880	2	0.660	0.660	N/C	(02.07)
GO plc	191,045	654,670	18	3.300	3.340	-1.20%	(05.07)
RS2 Software plc	30,970	37,675	12	1.200	1.240	-3.23%	(06.07)
FIMBank plc (USD)	13,590	6,074	4	0.540	0.505	6.93%	(04.07)
Simonds Farsons Cisk plc	24,213	170,362	10	7.150	6.900	3.62%	(06.07)
Mapfre Middlesea plc				1.940	1.940		(27.06)
PG plc	14,850	19,674	2	1.330	1.330	N/C	(05.07)
Malita Investments plc	47,567	42,413	5	0.890	0.865	2.89%	(06.07)
Lombard Bank Malta plc				2.280	2.280		(27.06)
Medserv plc	20,000	20,895	5	1.150	1.000	15.00%	(02.07)
MaltaPost plc	3,965	6,732	6	1.660	1.700	-2.35%	(05.07)
MIDI plc	261,229	127,769	14	0.490	0.476	2.94%	(06.07)
Tigné Mall plc				0.950	0.950		(26.06)
Malta Properties Company plc	312,310	156,494	14	0.500	0.520	-3.85%	(06.07)
Plaza Centres plc				1.040	1.040		(26.06)
Grand Harbour Marina plc				0.750	0.750		(21.06)
Main Street Complex plc				0.670	0.670		(28.06)
GlobalCapital plc	995	282	2	0.280	0.290	-3.45%	(03.07)
Santumas Shareholdings plc				1.320	1.320		(21.06)
Trident Estates plc	21,500	28,165	5	1.310	1.270	3.15%	(06.07)
ALT. COMPANIES LIST							
Loqus Holdings plc	63,844	4,947	4	0.070	0.100	-30.00%	(06.07)
TOTALS	1,286,345	2,043,987	182				

MSE EQUITY PRICE INDEX AT 4,395.867 POINTS

CALENDAR YEAR TO DATE PERFORMANCE: -2.51%



MSE Equity Price Index	
1 month	-0.13%
3 months	-0.16%
6 months	-2.34%
1 year	-7.06%
2 years	-4.06%
3 years	+7.09%
5 years	+28.17%

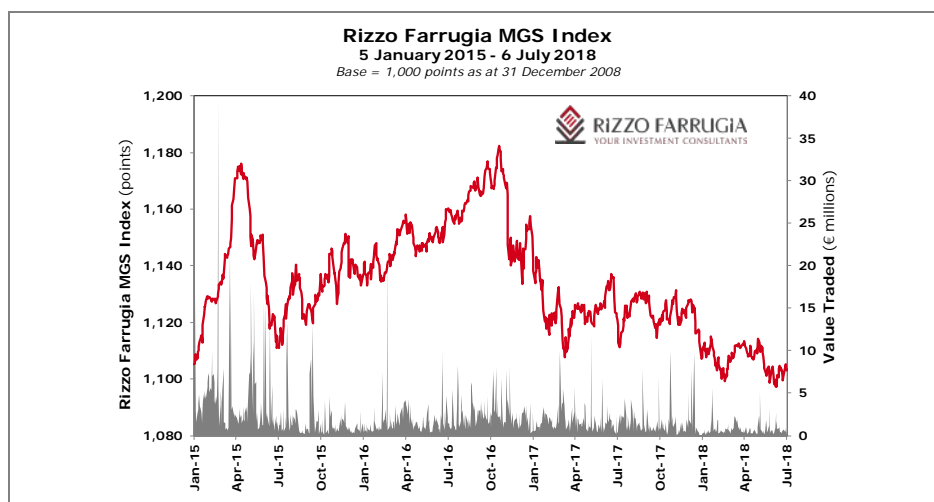


MALTA GOVERNMENT STOCKS

Security	Last Trade Price (€) 06.07.18		Last Trade Price (€) 28.06.18		Change	No. of deals	Volume (Nominal)	Market Value (€)
SHORT-TERM								
7.8% MGS 2018	100.55	(18.06)	100.55	(18.06)				
FR% 2018 (IV)	99.33	-	99.33	-				
FR% 2018 (VI)	100.23	(15.03)	100.23	(15.03)				
FR% 2018 (VII)	100.45	-	100.45	-				
6.6% 2019 (I)	107.63	(05.07)	107.83	(25.06)	-0.20	1	5,824	6,268
3.0% 2019 (III)	104.08	(14.05)	104.08	(14.05)				
FR% 2019 (IV)	100.55	(15.03)	100.55	(15.03)				
3.2% 2019 (V)	107.91	(16.02)	107.91	(16.02)				
FR% 2019 (VI)	100.58	-	100.58	-				
5.2% 2020 (I)	110.05	(02.07)	110.19	(25.06)	-0.14	1	7,600	8,364
4.6% 2020 (II)	108.35	(06.07)	108.38	(27.06)	-0.03	3	25,300	27,417
3.35% 2020 (IV)	105.06	-	105.06	-				
2.0% 2020 (V)	104.50	(22.05)	104.50	(22.05)				
FR% 2020 (VI)	100.00	-	100.00	-				
MEDIUM-TERM								
5.0% 2021	114.97	(06.07)	115.06	(28.06)	-0.09	3	23,727	27,305
4.3% 2022 (II)	115.45	(06.07)	115.58	(26.06)	-0.13	2	15,000	17,345
5.1% 2022	119.79	(03.07)	119.82	(25.06)	-0.03	1	3,495	4,187
1.5% 2022 (IV)	104.84	(27.06)	104.84	(27.06)				
5.5% 2023	124.83	(06.07)	125.70	(27.06)	-0.87	3	10,069	12,574
1.4% 2023 (III)	105.09	(14.03)	105.09	(14.03)				
3.3% 2024 (I)	116.36	(03.07)	116.38	(25.06)	-0.02	1	40,000	46,544
LONG-TERM								
1.5% 2027 (I)	103.50	(25.06)	103.50	(25.06)				
4.8% 2028 (I)	132.69	(06.07)	132.95	(25.06)	-0.26	2	9,900	13,136
4.5% 2028 (II)	129.94	(06.07)	129.96	(28.06)	-0.02	8	89,500	116,463
5.1% 2029 (I)	137.76	(06.07)	137.48	(26.06)	0.28	1	8,000	11,021
2.3% 2029 (II)	108.66	(06.07)	108.33	(27.06)	0.33	4	105,000	114,545
5.25% 2030	140.78	(06.07)	140.75	(28.06)	0.03	8	156,500	220,443
5.2% 2031	142.56	(05.07)	142.16	(28.06)	0.40	7	109,800	156,879
4.65% 2032 (I)	137.30	(06.07)	136.58	(28.06)	0.72	4	40,000	54,883
4.45% 2032 (II)	134.57	(04.07)	133.93	(28.06)	0.64	2	20,000	26,944
4.3% 2033 (I)	133.19	(06.07)	131.97	(28.06)	1.22	10	46,000	61,378
4.1% 2034 (I)	131.91	(03.07)	130.92	(28.06)	0.99	5	131,000	172,743
2.2% 2035 (I)	104.78	(05.07)	104.12	(28.06)	0.66	4	43,000	45,010
2.5% 2036 (I)	109.04	(06.07)	108.25	(28.06)	0.79	15	282,000	306,921
2.1% 2039 (I)	101.89	(06.07)	100.69	(28.06)	1.20	31	720,500	730,785
3% 2040 (I)	117.44	(04.07)	116.33	(28.06)	1.11	17	147,500	172,597
2.40% 2041 I	106.50	(04.07)	106.00	(28.06)	0.50	3	78,400	82,966
TOTALS						136	2,118,115	2,436,716

RF MGS INDEX AT 1,103.211 POINTS

CALENDAR YEAR TO DATE PERFORMANCE: -0.88%

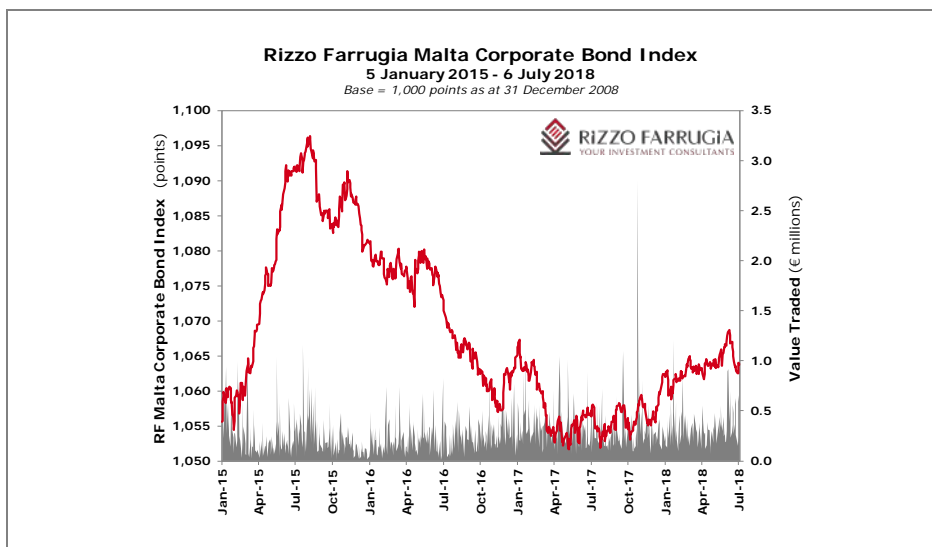


RF MGS Index	
1 month	+0.14%
3 months	-0.78%
6 months	-0.66%
1 year	-1.40%
2 years	-4.92%
3 years	-0.71%
5 years	+7.85%



CORPORATE BONDS – OFFICIAL LIST

Security	Last Trade Price (€) 06.07.18		Last Trade Price (€) 28.06.18		Change	No. of deals	Volume (Nominal)	Market Value (€)
5.9% HSBC Bank Malta 2018	100.50	(26.06)	100.50	(26.06)				
4.8% BOV plc 2018	100.00	(26.06)	100.00	(26.06)				
5.35% BOV plc 2019	102.50	(28.06)	102.50	(28.06)				
7.5% MeDirect Bank plc EUR 2019	104.50	(03.07)	105.10	(28.06)	-0.60	1	8,000	8,360
7.5% MeDirect Bank plc GBP 2019	103.01	(26.02)	103.01	(26.02)				
4.25% BOV plc 2019 Series 2	101.50	(05.07)	101.50	(28.06)	N/C	2	5,000	5,075
4.8% BOV plc 2020	102.25	(06.07)	102.25	(27.06)	N/C	3	10,500	10,737
5.5% Pendergardens Dev plc 2020	102.80	(03.07)	103.00	(26.06)	-0.20	1	2,000	2,056
5.5% MIH 2020	103.50	(03.07)	103.50	(27.06)	N/C	1	19,000	19,665
4.9% Gasan Finance 2019-21	103.63	(25.06)	103.63	(25.06)				
5.8% IHI plc 2021	103.60	(28.06)	103.60	(28.06)				
5.75% CBC plc 2021 S1T1	105.00	(21.05)	105.00	(21.05)				
5.0% GlobalCapital plc 2021	100.00	(05.07)	101.85	(26.06)	-1.85	11	72,000	72,063
6% Corinthia Fin. 2019-22	103.50	(20.03)	103.50	(20.03)				
6% Pendergardens Dev plc 2022	109.00	(25.06)	109.00	(25.06)				
6% Medserv plc 2020-23	102.26	(06.07)	102.25	(26.06)	0.01	2	7,200	7,363
6% MIH plc 2021	104.10	(27.06)	104.10	(27.06)				
5% MIH plc 2022	101.51	(04.07)	101.51	(28.06)	N/C	1	1,900	1,929
4.25% GAP plc 2023	102.99	(06.07)	103.00	(27.06)	-0.01	13	386,700	397,300
5.8% IHI plc 2023	107.00	(28.06)	107.00	(28.06)				
5.3% United Finance plc 2023	106.02	(04.07)	105.70	(12.06)	0.32	1	4,500	4,771
6.0% IHI plc 2024	109.36	(28.06)	109.36	(28.06)				
6.0% AX Investments plc 2024	112.50	(06.07)	111.50	(26.06)	1.00	3	8,700	9,750
5.3% Mariner Finance plc 2024	108.50	(03.07)	108.50	(26.06)	N/C	1	6,000	6,510
5.0% Tumas Investments plc 2024	108.11	(19.06)	108.11	(19.06)				
5% Hal Mann Vella Group plc 2024	107.06	(26.06)	107.06	(26.06)				
6.0% MeDirect Bank plc plc EUR 2019-24	102.51	(05.07)	102.51	(20.06)	N/C	3	20,000	20,502
6.0% MeDirect Bank plc plc GBP 2019-24	104.06	(13.09)	104.06	(13.09)				
5.1% 1923 Investments plc 2024	103.50	(06.07)	104.00	(28.06)	-0.50	2	9,700	10,064
4.4% Von der Heyden Group Fin plc 2024	102.85	(06.07)	102.85	(28.06)	N/C	12	139,000	142,962
4.5% Izola Bank plc 2025	107.00	(28.05)	107.00	(28.05)				
5.75% IHI plc 2025	109.50	(06.07)	110.90	(28.06)	-1.40	3	35,200	38,544
5.1% 6PM Holdings plc 2025	92.95	(06.07)	99.50	(28.02)	-6.55	11	185,800	174,254
4.5% Hili Properties plc 2025	103.89	(06.07)	106.51	(28.06)	-2.62	3	5,500	5,742
5.25% CBC plc 2025 S2T1	105.00	(02.05)	105.00	(02.05)				
4.50% Medserv plc 2026	100.00	(06.07)	100.75	(13.06)	-0.75	5	172,000	172,000
5.75% Medserv plc USD 2026	104.50	(06.07)	104.87	(25.06)	-0.37	6	77,000	80,408
4.35% Hudson Malta plc € 2026	102.99	(06.07)	103.51	(09.05)	-0.52	3	23,000	20,230
4.25% Corinthia Finance plc 2026	104.50	(06.07)	104.50	(22.06)	N/C	2	12,200	12,749
4.0% MIDI plc 2026	103.00	(06.07)	103.80	(28.06)	-0.80	6	35,400	36,760
4.0% IHI plc Secured 2026	102.75	(06.07)	104.00	(26.06)	-1.25	5	39,900	41,280
4.0% IHI plc Unsecured 2026	104.05	(06.07)	104.01	(14.06)	0.04	5	23,700	24,663
3.9% Plaza Centres plc 2026	100.55	(21.06)	100.55	(21.06)				
5.0% Dizz Finance plc 2026	103.00	(05.07)	104.00	(28.06)	-1.00	5	39,000	40,220
4.8% Med. Maritime Hub plc 2026	104.00	(05.07)	105.00	(28.06)	-1.00	3	18,000	18,720
3.75% Premier Capital plc 2026	103.50	(06.07)	102.49	(26.06)	1.01	8	87,800	90,759
4.35% SD Finance plc 2027	104.50	(03.07)	104.40	(27.06)	0.10	3	7,500	7,838
4% Eden Finance plc 2027	104.00	(05.07)	104.20	(28.06)	-0.20	4	15,700	16,353
3.75% Tumas Investments plc 2027	104.10	(06.07)	104.10	(27.06)	N/C	7	44,300	46,165
4.4% CBC plc 2027 S1T1	103.00	(06.07)	103.00	(27.06)	N/C	1	4,200	4,326
4.5% Grand Harbour Marina plc 2027	104.81	(06.07)	104.75	(27.06)	0.06	3	26,200	27,463
3.50% Simonds Farsons Cisk plc 2027	105.60	(06.07)	105.01	(25.06)	0.59	2	5,600	5,895
5.0% MeDirect Bank plc EUR 2022-2027	103.50	(13.06)	103.50	(13.06)				
5.0% MeDirect Bank plc GBP 2022-2027	100.00	-	100.00	-				
4.0% Stivala Group Fin plc Secured 2027	104.00	(06.07)	104.25	(27.06)	-0.25	15	223,700	232,630
3.75% Bortex Group Finance plc 2027	103.00	(04.07)	103.00	(28.06)	N/C	3	25,000	25,775
3.75% Virtu Finance plc 2027	103.00	(06.07)	103.75	(26.06)	-0.75	5	38,300	39,359
3.5% BOV plc 2030 S1T1	101.00	(04.07)	101.00	(28.06)	N/C	2	50,000	50,500
3.5% BOV plc 2030 S2T1	99.99	(02.07)	98.90	(26.06)	1.09	2	4,500	4,499
TOTALS						169	1,899,700	1,936,235



RF Malta CB Index	
1 month	-0.62%
3 months	-0.05%
6 months	-0.04%
1 year	+0.38%
2 years	-0.81%
3 years	-2.70%
5 years	+2.34%

Disclaimer

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