

Daily Stock Market Review – 8 March 2018

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Malita share price reaches 13-month high

The **MSE Equity Price Index** added 0.02% to 4,476.307 points today. Trading activity was broad, with five shares trending higher, another five moved into negative territory, whilst a further four shares closed the day unchanged. Trading volumes improved to an over one-week high of €0.43 million, with activity in the equity of **Malita Investments plc** representing 43% of the total value of equities traded. The share price of Malita gained 1.8% to an over thirteen-month high of €0.855 across 217,500 shares. On Tuesday, Malita reported a net profit of nearly €13 million for 2017. The Directors are recommending the payment of a final net dividend of €0.01853 per share to all shareholders as at the close of trading on Monday 26 March 2018. The final dividend will be paid on Friday 4 May 2018 subject to shareholders' approval at the upcoming Annual General Meeting scheduled to be held on Friday 27 April 2018.

In the property segment, **Malta Properties Company plc** and **Trident Estates plc** also performed positively today. MPC regained the €0.50 level (+2%) across 23,005 shares. On the other hand, the equity of Trident was very volatile as the share price opened at €1.70 (-5.6%), then dropped by a further 8.2% to an intra-day low of €1.56 before eventually recovering on low volumes to end today's trading session 1.1% higher at the €1.82 level. A total of 8,343 shares changed hands.

GO plc advanced by 0.6% to recapture the €3.60 level across 4,980 shares. On Tuesday, GO published its preliminary statement of annual results for the financial year ended 31 December 2017. The quad-play telecoms operator registered a 6.4% increase in EBITDA to €65.6 million. The Directors are recommending the payment of a final net dividend of €0.13 per share which is 18.2% higher than the net dividend for FY2016. Shareholders as at the close of trading on Wednesday 11 April 2018 will be entitled to receive this dividend which is payable on Wednesday 16 May 2018 subject to shareholders' approval at the upcoming Annual General Meeting scheduled to be held on Monday 14 May 2018.

The other positive performing equity today was **HSBC Bank Malta plc** which climbed by 2.1% back to the €1.95 level on eight deals totalling 46,154 shares. Tomorrow is the last day with the entitlement to the final dividend before the equity turns ex-dividend next Monday.

Also among the large companies by market capitalisation, **International Hotel Investments plc** shed 1.6% to the €0.62 level after partially recovering from a low of €0.595 (-5.6%). Only 2,000 shares traded.

Very low trading activity also took place in the equities of **Simonds Farsons Cisk plc** and **Mapfre Middlesea plc** which ended 2.1% and 2.7% lower at the €6.95 and €1.80 levels respectively.

Medserv plc dropped back to the €1.15 level (-1.7%) across 11,000 shares whilst **FIMBank plc** eased by 0.8% to USD0.605 on 28,124 shares.

Malta International Airport plc retained the €4.94 level on trivial volumes. Today, the airport operator published the February 2018 traffic results revealing an 18% increase in passenger movements to a record (for the month of February) of 349,430 movements. The strong growth came on the back of the 14% increase in aircraft movements as well

as the 15.5% increase in seat capacity. Moreover, the seat load factor improved by 1.6 percentage points to 78.5%. Meanwhile, the local media reported that Ryanair will be including an additional eight new routes in its next Winter schedule between October 2018 and March 2019. As a result, the Irish carrier will operate 48 routes and will be connected to a total of seventeen countries from Malta as from October 2018.

Bank of Valletta plc (19,115 shares) and **RS2 Software plc** (16,964 shares) maintained the €1.815 and €1.25 levels respectively.

Likewise, **Plaza Centres plc** also closed the day flat at the €1.06 level across 21,510 shares.

This afternoon, **Lombard Bank Malta plc** reported a net profit of €5.13 million for the financial year ended 31 December 2017 – representing an increase of 8.5% over the previous comparable period. The Directors are recommending an unchanged final net dividend of €0.026 per share which is payable on 4 May 2018 to all shareholders as at close of trading on 23 March 2018.

The **RF MGS Index** extended yesterday's gains by a further 0.03% to a three-day high of 1,113.221 points. Today's highlight across euro bond markets was the monetary policy meeting of the European Central Bank. As widely expected, the central bank maintained interest rates unchanged. The ECB dropped its pledge to extend its asset purchase programme both in terms of size and duration should economic conditions weaken. At the same time, however, the ECB also stated that *"the Governing Council expects the key ECB interest rates to remain at their present levels for an extended period of time, and well past the horizon of the net asset purchases."* Moreover, the ECB will keep the current asset purchase programme at €30 billion per month until *"the end of September 2018, or beyond, if necessary, and in any case until the Governing Council sees a sustained adjustment in the path of inflation consistent with its inflation aim"*.

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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.