

Daily Stock Market Review – 10 May 2018

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BOV share price drops to over 3-year low

The **MSE Equity Price Index** extended yesterday's decline by a further 0.57% to a fresh 32-month low of 4,252.045 points, mostly driven by the 2.9% drop in the share price of **Bank of Valletta plc** to the €1.70 level (the lowest since September 2014) on volumes totalling 41,250 shares. This morning, the bank held its Annual General Meeting ("AGM") during which shareholders approved all the resolutions including the payment of a final net dividend of €0.052 per share. The dividend is payable on 18 May.

HSBC Bank Malta plc and **Lombard Bank Malta plc** also registered declines today. HSBC retracted by 1.2% to the €1.68 level across 11,158 shares whilst Lombard eased by 0.9% to the €2.32 level on three deals totalling 32,000 shares.

The other negative performing equity today was **RS2 Software plc** which closed the session 0.8% lower at the €1.23 level after partially recovering from a near three-year low of €1.15 (-7.6%). A total of 49,416 shares changed hands. Shareholders of RS2 as at close of trading on 16 May will be entitled to a net dividend of €0.0146 per share.

Following yesterday's drop of nearly 14%, the share price of **MIDI plc** surged by 18.7% to a new 2018 high of €0.368 albeit on just 10,000 shares. Shareholders as at close of trading on 24 May will be entitled to a final net dividend of €0.007 per share.

Meanwhile, **Malta International Airport plc** and **PG plc** traded unchanged at the €4.92 and €1.31 levels respectively on light volumes. On Monday, the airport operator published the April traffic results showing an 11.4% increase in passenger movements to nearly 600,000 passenger movements.

Malita Investments plc also closed the day flat at the €0.84 level after opening at a high of €0.85 (+1.2%). A total of 85,785 shares traded.

The **RF MGS Index** halted a three-day negative streak as it rebounded by 0.09% to 1,116.730 points, as euro sovereign bond yields moved lower. Today, the ECB published its periodic economic bulletin providing an update on the most recent economic and monetary developments particularly within the single currency area. The ECB made reference to the latest moderation in economic growth as well as the growing risks related to the threat of increased protectionism. Nonetheless, the ECB still expressed its confidence that the inflation rate will converge towards its target of below, but close to, 2% over the medium term. However, the ECB also noted that it continues to monitor developments in the exchange rate and other financial conditions with regard to their possible implications on inflation. In this respect, the ECB opined that "ample degree of monetary stimulus remains necessary for underlying inflation pressures to continue to build up and support headline inflation developments over the medium term."



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