

## **Daily Stock Market Review – 21 May 2018**

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### **MIDI share price surges to new 2018 high**

The **MSE Equity Price Index** opened the week in negative territory as it eased by 0.27% to 4,325.630 points from its three-week high of 4,337.148 points. Several equities were active today with eight shares registering declines, four closing the day unchanged whilst a further three equities gained.

Positive sentiment towards **MIDI plc** persisted further as the equity climbed 5.2% to a fresh 2018 high of €0.402 on volumes totalling 261,803 shares. Shareholders as at close of trading on 24 May will be entitled to a final net dividend of €0.007 per share.

Within the same segment, **Malta Properties Company plc** added a further 1.9% to a seven-month high of €0.525 across 30,000 shares. Last week, MPC announced that it is entering into discussions with SmartCity (Dubai) FZLLC which, in turn, is a wholly-owned subsidiary of Dubai Holding LLC ("Dubai Holding"), for the possible acquisition by MPC of Dubai Holding's majority shareholding in SmartCity (Malta) Limited. MPC explained that it is in the initial stage of evaluating this potential opportunity through appropriate due diligence and will adhere to all applicable legal requirements throughout the process. Any eventual agreement that may be reached between MPC and Dubai Holding would be subject to general meeting approval, various terms and conditions, satisfactory due diligence and regulatory approvals. MPC's AGM will be held on 13 June.

Five deals totalling 17,339 shares lifted the equity of **FIMBank plc** 0.9% higher to the USD0.555 level.

On the other hand, **Bank of Valletta plc** (72,074 shares) and **HSBC Bank Malta plc** (20,295 shares) each lost 0.6% to €1.74 and €1.73 respectively.

Similarly, **Lombard Bank Malta plc** also performed negatively today with a drop of 1.7% back to the €2.30 level on a single deal of 9,500 shares.

**RS2 Software plc** fell 1.7% to the €1.19 level albeit on just 4,574 shares whilst four deals totalling 12,437 shares forced the equity of **GO plc** 0.6% lower to the €3.46 level.

**Malita Investments plc** shed 2.3% to the €0.84 level on heightened activity totalling 194,615 shares whilst **Trident Estates plc** slid 2.6% to the €1.50 level on 7,000 shares. Trident is due to publish its 2017/18 financial results on Wednesday 23 May.

**GlobalCapital plc** tumbled by nearly 6% back to the €0.32 level across 49,710 shares.

Also in the insurance sector, **Mapfre Middlesea plc** retained the €2.04 level on trivial volumes.

**International Hotel Investments plc** (13,657 shares) and **MaltaPost plc** (1,158 shares) traded flat at €0.62 and €1.80 respectively. IHI is scheduled to hold its AGM on 5 June. Last week, the postal operator reported a near 28% drop in net profits to €0.86 million in the first six months of the current financial year, largely due to a substantial increase in operating costs.

**Malta International Airport plc** maintained the €4.96 level on volumes of 27,178 shares.

The **RF MGS Index** moved lower for the sixth consecutive day as it dropped by a further 0.15% to a near three-month low of 1,108.206 points. Movements in MGS prices reflected widening spreads in the yields of euro peripheral countries. In fact, while the 10-year and 20-year German Bund yields eased significantly lower today, the corresponding yields of bonds issued by the governments of Spain and Italy surged, reflecting continued uneasiness with the latest political developments taking place in Italy, including added risks related to the country's fiscal position. Beyond the euro area, US Treasury Secretary Steven Mnuchin announced that the US and China will be taking a more cooperative approach insofar as their mutual trade relations are concerned, with the US expected to benefit from a reduction in its trade deficit with China following commitments made by the latter to increase purchases of US farm products and energy products.

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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.*