

Daily Stock Market Review – 23 May 2018

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RS2 share price drops to near 3-year low

The **MSE Equity Price Index** moved lower for the third consecutive day as it slipped by a further 0.02% to 4,319.166 points, mostly driven by the 5.2% decline in the share price of **RS2 Software plc** which fell to a near three-year low of €1.10 on volumes totalling 78,188 shares. The company is scheduled to hold its AGM on 19 June.

FIMBank plc also performed negatively today with a drop of 0.9% to the USD0.525 level across 45,000 shares.

In the property segment, a single deal of just 766 shares forced the equity of **Trident Estates plc** 0.7% lower to the €1.48 level. Today, Trident published its preliminary statement of annual results covering the financial year ended 31 January 2018. The company reported a net profit of €0.51 million. This is significantly lower than that of the previous financial year, reflecting much lower positive fair value movements as well as higher administrative costs. In their commentary to the results, the Directors also made reference to a two-stage right issue of €15 million planned for 2019/2020. This is earmarked to part-finance the Trident Park development along with bank financing that has already been secured.

In contrast, **MIDI plc** continued to post strong gains as the equity added a further 3.3% to reach a new seven-year high of €0.444 on two deals totalling 28,000 shares. Shareholders as at close of trading tomorrow will be entitled to a final net dividend of €0.007 per share.

Malta Properties Company plc climbed 0.9% to a twelve-month high of €0.535 across 19,400 shares. Last week, the company expressed its interest in acquiring a major stake in SmartCity (Malta) Limited. MPC's AGM will be held on 13 June.

HSBC Bank Malta plc regained the €1.73 level (+1.2%) across 47,856 shares whilst **PG plc** moved 0.8% higher to the €1.33 level albeit on trivial volumes.

Meanwhile, the equity of **Simonds Farsons Cisk plc** traded for the first time since turning ex-dividend last Monday. It maintained its 2018 low of €6.70 across 2,500 shares. Last week, Farsons reported a net profit of €14.4 million. The company is scheduled to hold its AGM on 21 June.

Malita Investments plc also traded flat today and closed at the €0.83 level on 34,000 shares.

Bank of Valletta plc (22,411 shares) and **Malta International Airport plc** (11,999 shares) maintained the €1.75 and €4.98 levels respectively.

The **RF MGS Index** trended higher for the first time in eight days as it rebounded by 0.04% from its three-month low to 1,107.702 points. MGS prices gained ground today as euro sovereign yields trended lower, reflecting disappointing readings from surveys gauging the level of confidence among purchasing managers in the manufacturing and services sectors in Germany, France and the entire single currency block. Furthermore, the unemployment rate in France moved marginally higher above the 9% mark. In Italy,

the country's President Sergio Mattarella is today expected to meet Prime Minister designate Giuseppe Conte to assess his candidacy for the formation of a new government.

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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.