

Daily Stock Market Review – 26 February 2018

Edward Rizzo

Director

Rizzo, Farrugia & Co (Stockbrokers) Limited

MSE Equity Price Index moves higher amid broad activity

The **MSE Equity Price Index** added 0.48% to 4,488.817 points today, reflecting the gains in the share prices of five equities whilst only **Simonds Farsons Cisk plc** trended lower with a drop of 2.8% to the €7.00 level albeit on just 850 shares. Meanwhile, another eight shares closed the day unchanged. Total value of equities traded today improved to a four-day high of €0.43 million compared to €0.24 million last Friday.

Bank of Valletta plc regained the €1.83 level (+0.5%) across 57,205 shares. Last Friday, the bank announced that the Arbitrator for Financial Services handed down his decision with respect to a number of complaints relating to the La Valette Multi-Manager Property Fund ("LVMMPPF"). In this respect, the bank explained that it is still reviewing the details of this decision and that the Board of Directors will be discussing the matter and deciding on the appropriate actions to take. Some parts of the media also reported that the compensation that BOV has been requested to make by the Arbitrator for Financial Services to LVMMPPF investors amounts to €3.4 million plus interest.

Also among the large companies by market capitalisation, **Malta International Airport plc** advanced by 0.4% to recapture the €4.94 level on ten deals totalling 18,417 shares. Last week, MIA reported record financial results for 2017. The Directors are recommending an unchanged final gross dividend of €0.107692 per share (€0.07 net of tax), which is payable by not later than Friday 25 May 2018 to all shareholders as at the close of trading on Wednesday 4 April 2018. The airport operator also unveiled its €100-million project related to the construction of three mixed-used commercial blocks (including a business hotel), the expansion/extension of its various existing terminal facilities, and the construction of a multi-storey car park.

International Hotel Investments plc surged by 4.1% to the €0.63 level albeit on insignificant volumes.

Low trading activity also took place in the equity of **Medserv plc** which climbed to the €1.20 level (+7.1%) on a single deal of 1,000 shares.

In the property segment, **Malita Investments plc** failed to hold on to an intra-day high of €0.84 (+1.2%) but the equity still ended today's trading session in positive territory with a gain of 0.6% to the €0.835 level across 52,000 shares.

On the other hand, **MIDI plc** (14,700 shares), **Plaza Centres plc** (44,192 shares) and **Trident Estates plc** (1,550 shares) all traded unchanged at the €0.34, €1.01 and €1.91 levels respectively.

HSBC Bank Malta plc maintained its four-month high of €1.90 after opening at a low of €1.89 (-0.5%). A total of 27,587 shares of HSBC changed hands today. Last week, the bank reported a 9.5% drop in adjusted pre-tax profits to €55.6 million. Nonetheless, the Directors are recommending an ordinary gross dividend of €0.0386 per share (€0.0251 per share net of tax) as well as a special gross dividend of €0.0854 per share (€0.0555 net of tax). The total net final dividend of €0.0806 per share will be paid on 19 April 2018 to all shareholders as at close of trading on Friday 9 March 2018.

GO plc (5,900 shares) and **RS2 Software plc** (1,550 shares) also finished unchanged at the €3.54 and €1.29 levels respectively.

Four deals totalling 20,000 shares left the equity of **FIMBank plc** at the USD0.62 level and **PG plc** held on to the €1.35 level across 32,050 shares.

The **RF MGS Index** kicked-off this week in positive territory as it extended last Friday's gains by a further 0.09% to 1,107.246 points. Euro zone sovereign yields slipped lower today amid heightened political risks ahead of parliamentary elections in Italy which are scheduled to take place this Sunday 4 March 2018.

www.rizzofarrugia.com



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