

Daily Stock Market Review – 26 March 2018

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UniCredit to sell its stake in BOV

The **MSE Equity Price Index** eased further lower today as it dropped by 0.08% to 4,539.833 points. Activity was spread across eight equities with BOV and Tigne' Mall trending lower, Malita surging over 4% whilst a further five shares closing the day unchanged. Most of today's trading took place in BOV and MIA which in aggregate accounted for almost 70% of the total value of shares traded.

The most important development across the local equity market was the announcement made by **Bank of Valletta plc** in which it was unveiled that the Italian banking giant UniCredit S.p.A., which is currently the second largest shareholder in BOV with a stake of 10.001%, intends to dispose of its total shareholding in BOV to an investor that has already been identified. The transaction is subject to regulatory approval. The equity of BOV eased minimally lower to the €1.895 level (-0.3%) across 68,704 shares. Last Friday, BOV published its financial results for the 15-month period ended 31 December 2017 revealing a 26.1% increase in net profits to €119.5 million. The Directors recommended a final net dividend of €0.052 per share to all shareholders as at the close of trading on Friday 6 April. Shareholders will have the right to receive the dividend in cash or in new shares at a price which is yet to be established.

A single deal of just 2,000 shares forced the equity of **Tigne' Mall plc** 3.1% lower back to the €0.95 level.

In contrast, **Malita Investments plc** surged by 4.3% to regain the €0.84 level on ten deals totalling 84,650 shares. Tomorrow, the equity starts trading without the entitlement to the recently declared final net dividend of €0.01853 per share.

Meanwhile, GO, HSBC, MIA, RS2 and Mapfre Middlesea all traded unchanged. **GO plc** (6,555 shares) and **HSBC Bank Malta plc** (988 shares) held on to the €3.60 and €1.85 levels respectively.

Malta International Airport plc maintained the €4.90 level on encouraging volumes totalling 27,344 shares. Shareholders as at close of trading on 4 April 2018 will be entitled to a final net dividend of €0.07 per share.

RS2 Software plc retained the €1.48 level across 7,440 shares whilst four deals of 7,000 shares left the equity of **Mapfre Middlesea plc** at the €2.00 level.

The **RF MGS Index** retracted by 0.06% to 1,117.995 points as euro zone sovereign yields stayed close to their recent lows. Meanwhile, the President of the German Bundesbank was reported as saying that he advocates for an end to the current QE programme of the ECB soon, and that an interest rate hike in mid-2019 is "probably not entirely unrealistic".



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