

Daily Stock Market Review – 26 April 2018

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MSE Equity Price Index drops below the 4,300 mark

The **MSE Equity Price Index** moved lower for the third consecutive day as it slipped by a further 0.82% to a 32-month low of 4,2958.205 points. Various equities performed negatively whilst only **Plaza Centres plc** ended the day higher at the €1.06 level (+1.9%) albeit on insignificant volumes. Today was the last trading day before the equity of Plaza turns ex-dividend.

The most actively traded equity today was **RS2 Software plc**. The share price dropped by 1.5% to the €1.35 level after recovering from an intra-day low of €1.31. A total of 49,834 shares changed hands. Yesterday, RS2 reported a net profit of €0.61 million for the financial year ended 31 December 2017 which is almost 36% higher than the previous comparable period. The Directors are recommending the payment of a net dividend of €0.0146 per share to shareholders as at close of trading on 16 May 2018. The company explained that it has intensified its efforts on expanding its client base. In fact, it secured strategic deals for its managed services which will secure substantial revenue for the Group once the customers move into production.

Bank of Valletta plc retreated to a new 2018 low of €1.74 (-0.3%) across 27,394 shares. The bank is due to hold its Annual General Meeting on 10 May 2018.

Two deals totalling 4,153 shares forced the equity of **GO plc** to retreat back to the €3.46 level (-0.6%).

Also among the large companies by market capitalisation, **International Hotel Investments plc** lost 2.4% to the €0.60 level whilst **Malta International Airport plc** eased by 0.4% to close at the €4.90 level. Trading volumes in both equities was minimal. IHI is scheduled to publish its 2017 financial results tomorrow.

Low trading activity also took place in the equity of **Mapfre Middlesea plc** which tumbled by 5% to the €1.90 level. Today, the equity started trading without the entitlement to a net dividend of €0.1054 per share.

FIMBank plc shed 3.6% to the USD0.53 level across 29,940 shares. Yesterday, the bank announced the result of the recent USD115 million rights issue. The total amount of subscriptions amounted to USD99.06 million, representing an 85.9% take-up. Excluding the participation of the three major shareholders, shareholders from the general public subscribed for approximately USD2.5 million. The new shares will be admitted to the Official List of the Malta Stock Exchange on Monday 30 April 2018, with trading expected to commence as from Wednesday 2 May 2018.

In the property segment, **MIDI plc** dropped by 1.1% to the €0.354 level albeit on just 2,200 shares. Last Monday, MIDI reported a net profit of €20.8 million, largely on the back of the €26.3 million pre-tax contribution from Mid Knight Holdings Limited in which MIDI has a 50% stake. This helped increase shareholders' funds by 28.6% to €86.6 million which, in turn, translates into a net asset value per share of €0.404. The Directors of MIDI are recommending the payment of an unchanged net dividend of €0.007 per share.

In contrast, **Malta Properties Company plc** (68,300 shares) and **Tigne' Mall plc** (19,500 shares) traded flat at €0.47 and €0.95 respectively. Tomorrow, Tigne' Mall is expected to publish its 2017 financial statements.

HSBC Bank Malta plc maintained the €1.73 level across 6,000 shares whilst a single deal of just 770 shares left the equity of **PG plc** at its 2018 low of 1.30.

Yesterday, **Main Street Complex plc** issued the formal notice announcing the issuance of 5,230,769 new ordinary shares and an offer of 7,538,460 ordinary shares by existing shareholders. The company is the owner of the Main Street Shopping Complex located in the main square of Paola. The IPO price is €0.65 per share.

The **RF MGS Index** rebounded by 0.09% from its seven-week low of 1,112.915 points to 1,113.871 points. Bond yields in the euro area retreated today as the European Central Bank kept its monetary policy unchanged and promised to maintain interest rates at their current record low. Moreover, the ECB maintained its pledge to extend its asset-purchase programme if necessary.

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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.