

Daily Stock Market Review – 27 February 2018

Edward Rizzo

Director

Rizzo, Farrugia & Co (Stockbrokers) Limited

MSE Equity Price Index regains the 4,500 point level

The **MSE Equity Price Index** advanced by 0.31% to a near eight-week high of 4,502.886 points, largely driven by the 2.6% gain in the share price of **HSBC Bank Malta plc** to the €1.95 level (the highest since mid-August 2017) across 13,191 shares. Meanwhile, GO, Malita and MPC trended lower today whilst a further four shares closed the day unchanged. Overall trading volumes were weak as only €0.16 million worth of shares changed hands.

Two deals totalling 17,000 shares lifted the equity of **Medserv plc** 0.8% higher to an over three-week high of €1.21.

In contrast, **GO plc** slipped by 1.1% to the €3.50 level across 9,395 shares.

In the property segment, **Malita Investments plc** shed 0.6% back to the €0.83 level on six deals totalling 35,300 shares. The company is scheduled to reveal its 2017 financial performance on Monday 5 March 2018.

Malta Properties Company plc lost 1.6% to the €0.48 level on trivial volumes whilst **Plaza Centres plc** maintained the €1.01 across 6,150 shares.

Bank of Valletta plc held on to the €1.83 level after recovering from an intra-day low of €1.82 (-0.5%). A total of 20,236 shares traded today.

Malta International Airport plc (1,600 shares) and **PG plc** (1,050 shares) also closed the day flat at €4.94 and €1.35 respectively. The equity of MIA is trading with the entitlement to a net dividend of €0.07 per share.

The **RF MGS Index** trended higher for the third consecutive day as it added a further 0.22% to a one-week high of 1,109.654 points. Movements in euro zone sovereign yields were mixed today. On the one hand, fresh economic data suggested further consolidation across the single currency area while comments made by ECB President Mario Draghi showed that the central bank still remains concerned about subdued inflation. On the political front, German chancellor Angela Merkel secured the approval of her party for the formation of a “grand coalition” with the Social Democratic Party (“SPD”). In turn, the result of the current voting among SPD party members for the SPD to ally with Ms Merkel is expected to be announced next Sunday. Meanwhile, in the US the new Federal Reserve chairman gave his first testimony in front of Congress. Mr Jay Powell gave a positive assessment of the American economy and also hinted that the world’s most influential central bank is on course of further monetary policy tightening over the coming months.



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