

## **Daily Stock Market Review – 28 May 2018**

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### **Broad activity on the local equity market**

The **MSE Equity Price Index** remained virtually unchanged at 4,302.746 points today as the drops in three equities were offset by the gains in another three shares whilst a further eight equities closed the day unchanged.

Most of today's trading activity took place in the equity of **FIMBank plc** which maintained the USD0.52 level on activity of 195,000 shares.

Within the same sector, **Bank of Valletta plc** held on to the €1.745 level across 26,767 shares.

Also among the large caps, **International Hotel Investments plc** (8,000 shares) and **Malta International Airport plc** (2,015 shares) retained the €0.63 and €4.96 levels respectively. IHI is scheduled to hold its AGM on 5 June.

**Mapfre Middlesea plc** traded flat at the €2.04 level across 4,800 shares whilst two deals totalling 15,600 shares left the equity of **PG plc** at its 2018 low of €1.28.

In the property segment, **Malita Investments plc** closed unchanged at the €0.84 level after opening at a high of €0.85 (+1.2%). A total of 26,000 shares changed hands.

**Plaza Centres plc** retained the €1.04 level on just 4,800 shares. The company will hold its AGM on Wednesday 30 May.

On the other hand, **Trident Estates plc** moved to a new post spin-off low of €1.39 (-0.7%) albeit on light volumes. Last week, Trident published its preliminary statement of annual results whereby it reported a net profit of €0.51 million. The company also made reference to a rights 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.

**Medserv plc** tumbled 10.7% back to the €1.00 level on trivial volumes whilst **GO plc** retracted by 0.6% to a fresh 2018 low of €3.40. Medserv held its AGM this morning during which shareholders approved a special business resolution that gives the company the power to disclose information to any *bona fide* offeror, including unpublished price sensitive information, as may be necessary to enable any *bona fide* offeror to make, confirm, withdraw or modify any *bona fide* offer made to purchase and acquire a substantial shareholding in Medserv.

Meanwhile, **Santumas Shareholdings plc** surged over 40% to regain the €1.50 level across 18,510 shares.

**MaltaPost plc** added 2.9% to the €1.80 level across 5,500 shares whilst **HSBC Bank Malta plc** recaptured the €1.72 level (+0.6%) on two deals totalling 7,146 shares. Last Friday, HSBC issued an Interim Directors' Statement stating that during the first three months of 2018, it saw its pre-tax profits decline when compared to the corresponding period last year, largely reflecting lower volumes of corporate loans, the continuing adverse impact of low interest rates as well as the prioritisation of risk management actions during 2017. On the other hand, volumes of customer loans improved slightly

when compared to 31 December 2017, largely underpinned by stronger mortgage business. Commenting on the Q1 2018 financial performance of the bank, HSBC Malta's CEO Mr Andrew Beane explained that profitability was higher than previously forecasted and the bank is now focused on prudently growing its business in line with its high level of compliance and risk management standards.

The **RF MGS Index** moved higher for the fourth consecutive day as it added 0.07% to 1,110.449 points. Sovereign bond yields across the euro area were, once again, very volatile today, with political developments in Italy weighing heavily on market sentiment. In addition, the political situation in Spain is also very uncertain as Prime Minister Mariano Rajoy is expected to face a confidence vote later this week related to corruption allegations involving the centre-right People's Party.

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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.*