

Daily Stock Market Review – 29 March 2018

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MSE Equity Price Index drop below 4,500 points

The **MSE Equity Price Index** trended lower for the third consecutive day with a further drop of 0.74% to 4,474.087 points reflecting the declines in six shares whilst another four shares ended the day unchanged. Week-on-week, the local equity index shed 1.1% - the worst weekly performance since late November 2017 – largely reflecting the 5.3% plunge in the equity of BOV which translates into a decrease of €52.5 million in market capitalisation.

Most of today's trading activity took place in the equity of **Bank of Valletta plc** which retreated by a further 0.6% back to the €1.80 level across 124,374 shares. On Wednesday, the bank announced that it received notice that the Italian Tribunal has issued a precautionary warrant for €363 million against the Bank. In this respect, and after taking legal advice, the Bank reiterated that it has a strong case and is firmly rebutting the claims instituted against it. Meanwhile, shareholders as at close of trading on Friday 6 April 2018 will be entitled to a net dividend of €0.052 per share. In this respect, shareholders will have the right to take the dividend either in cash or in new shares at a discounted price which is yet to be established.

Also, in the banking segment, **HSBC Bank Malta plc** eased by 0.5% to the €1.86 level across 14,320 shares.

Similarly, **RS2 Software plc** tumbled by 3.4% back to the €1.43 level on four deals totalling 7,753 shares whilst **GO plc** shed 2.2% back to the €3.50 level albeit on trivial volumes. RS2 still has to announce the date for the publication of the 2017 financial statements.

Simonds Farsons Cisk plc slipped by 2.1% back to its fifteen-month low of €6.95 across three deals totalling 1,660 shares whilst **PG plc** retreated to the €1.36 level (-1.4%) on a total of 21,350 shares.

Low trading activity took place in the equities of **Malita Investments plc** and **Trident Estates plc** which maintained the €0.80 and €1.90 levels respectively.

Malta Properties Company plc held on to the €0.47 level after recovering from a low of €0.46 (-2.1%). A total of 24,352 shares traded.

Three deals totalling 3,300 shares left the equity of **Malta International Airport plc** at the €4.90 level. Shareholders as at close of trading on 4 April 2018 will be entitled to a final net dividend of €0.07 per share.

Yesterday, **FIMBank plc** published a Prospectus dated 23 March 2018 in connection with a Rights Issue amounting to approximately USD115.3 million. The equity remained inactive today.

The **RF MGS Index** remained virtually flat at 1,117.648 points today. Sovereign bond yields moved mostly higher today despite the publication of disappointing preliminary inflationary data in Germany. On the other hand, yields on Spanish government bonds extended their recent downward trend after Standard & Poor's lifted the country's credit

rating to "A-" last Friday. Week-on-week, the RF MGS Index slipped by 0.09% despite continued downward pressure on euro area yields.

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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.