

Daily Stock Market Review – 29 May 2018

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MSE Equity Price Index falls back below the 4,300 mark

The **MSE Equity Price Index** lost 0.19% today to 4,294.454 points, reflecting declines in the share prices of RS2, HSBC and MIA which outweighed the gains in PG and Medserv. Meanwhile, a further four equities closed the day unchanged.

The worst performing equity was **RS2 Software plc** with a drop of 2.6% to the €1.14 level albeit on light volumes totalling 5,271 shares. The company is due to hold its AGM on 19 June.

HSBC Bank Malta plc retracted back to the €1.70 level (-1.2%) across 36,652 shares whilst three deals totalling 8,260 shares forced the equity of **Malta International Airport plc** 0.4% lower to the €4.94 level. 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. Nonetheless, the bank 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.

Within the same sector, **Bank of Valletta plc** retained the €1.745 level on insignificant volumes.

Simonds Farsons Cisk plc held on to its 2018 low of €6.55 across 925 shares. Likewise, **International Hotel Investments plc** also closed flat at the €0.63 level on volumes totalling 11,000 shares. Both Farsons and IHI are due to hold their AGM's soon. The AGM of IHI is scheduled for 5 June whilst that of Farsons is set for 21 June.

Trident Estates plc maintained the €1.39 level after opening at a new post spin-off low of €1.31 (-5.8%). A total of 26,912 shares changed hands. Trident's AGM will be held on 27 June. 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.

Meanwhile, **Medserv plc** and **PG plc** rebounded from their respective 2018 lows. Medserv climbed 5% to the €1.05 level while PG advanced by 2.3% to the €1.31 on three deals totalling 35,625 shares. Yesterday, Medserv shareholders mandated the company to disclose information to any *bona fide* offeror, including unpublished price sensitive information, as may be necessary to enable any *bona fide* offeror to make, confirm, withdraw or modify any *bona fide* offer made to purchase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.

The **RF MGS Index** suffered its sharpest daily drop in nearly six months as it tumbled by 0.36% to a fresh three-month low of 1,106.417 points. This was driven by the continued sharp rise in yields of euro peripheral countries – namely Italy and Spain – which, in turn, was triggered by widespread concerns that the current political uncertainties in the third and fourth largest economies in the eurozone could jeopardise market stability across the whole region.

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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.