

Curmi and Partners : Local Market commentary

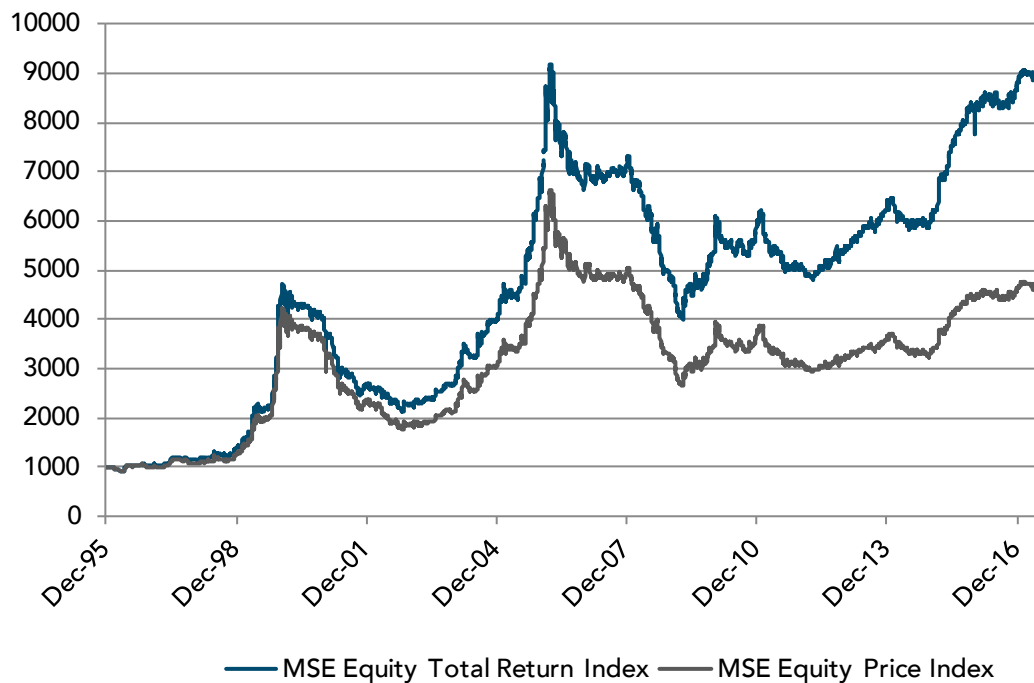
Local Market Update
Week ending 11th August 2017

MSE Performance Vs International Markets

Index	30/12/2016	04/08/2017	11/08/2017	YTD	Week %
EURO STOXX 50	3290.52	3507.41	3406.34	3.5%	-2.9%
Deutsche Boerse AG	11481.06	12297.72	12014.06	4.6%	-2.3%
CAC 40	4862.31	5203.44	5060.92	4.1%	-2.7%
S&P 500	2238.83	2476.83	2438.21	8.9%	-1.6%
FTSE 100 Index	7142.83	7511.71	7309.96	2.3%	-2.7%
MSE Price Index	4630.88	4652.41	4656.95	0.4%	-0.1%
MSE Total Return Index	8798.58	8917.40	8948.56	1.7%	0.3%

Source: Bloomberg; Malta Stock Exchange

MSETRX vs MSE Price Index



Source: Malta Stock Exchange

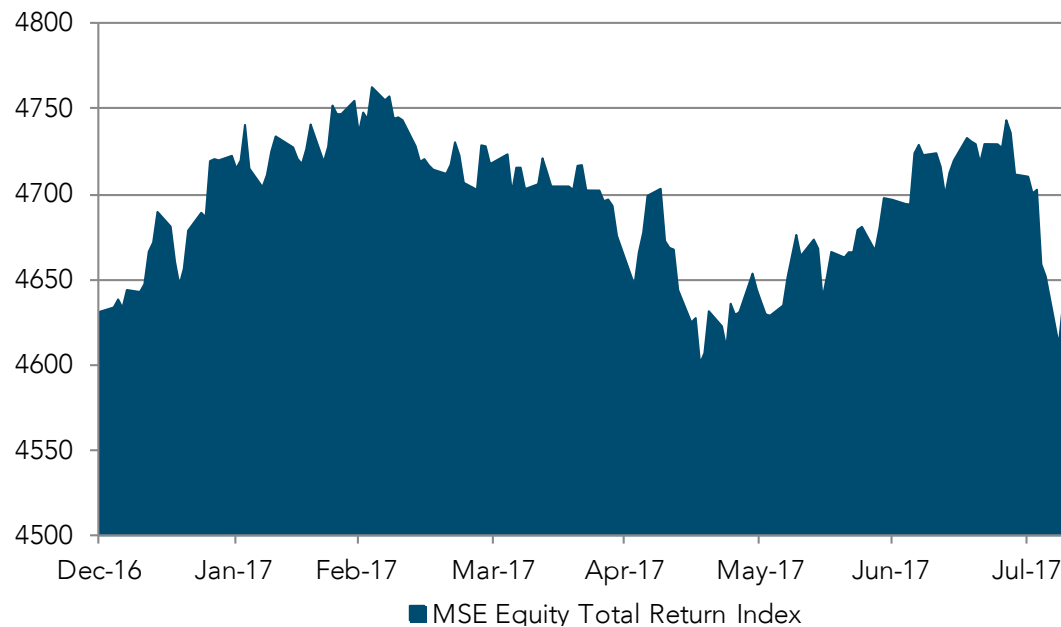
On Monday 31st July 2017, The Malta Stock Exchange introduced the current the MSE Equity Total Return Index ("MSETRX").

- The MSE Price Index takes into consideration capital gains or losses of the securities that make up the index. It is a weighted average of the current market capitalization of these securities and is based on their last closing trade prices

- The MSETRX is a total return index which tracks both capital gains of the securities that make up this index and assumes that any cash distributions, such as dividends, are reinvested back into the index. The net cash dividend will be added to the market capitalization of the company and will be accounted for when the equity concerned is trading ex-dividend. This index shows the benefit of reinvesting dividends.

- Both indices are based at 1,000 on December 27, 1995.

MSE Price Index- YTD



•The MSE Price Index closed at 4656.95, up 0.4% YTD, retreating 0.1% this week

Local Market Overview – Equities

Security	Trade Volume	Trade Value	04.08.2017	11.08.2017	Week % Change
Bank of Valletta plc	374,897	758,479	2.08	2.06	-0.82%
Fimbank plc	340,000	271,015	0.71	0.80	12.54%
GO plc	2,200	7,897	3.60	3.60	0.00%
HSBC Bank Malta plc	26,035	51,665	2.00	1.96	-2.25%
International Hotel Investments plc	15,894	9,586	0.60	0.62	3.00%
Lombard Bank Malta plc	2,130	5,027	2.39	2.36	-1.26%
Loqus	1,100	193	0.18	0.18	0.00%
Midi plc	27,000	8,370	0.31	0.31	0.00%
Medserv plc	241,634	311,221	1.25	1.34	7.44%
Malta International Airport plc	39,195	165,361	4.23	4.20	-0.59%
Malita Investments plc	168,500	127,885	0.74	0.76	2.57%
Mapfre Middlesea plc	3,572	6,651	1.90	1.86	-2.37%
Malta Properties Company plc	205,970	103,769	0.52	0.50	-2.91%
Maltapost plc	8,226	16,310	2.00	1.98	-1.00%
PG plc	33,288	46,579	1.40	1.40	0.07%
Plaza Centres plc	45,000	49,498	1.15	1.10	-4.26%
RS2 Software plc	37,996	67,277	1.79	1.79	-0.11%
Santummas Shareholding plc	14,000	30,550	2.15	2.20	2.37%
Tigne Mall plc	3,144,250	2,924,259	0.97	0.93	-4.12%

Source: Malta Stock Exchange

Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	04.08.2017	11.08.2017	Week % Change
AX24A	8,300.00	9,395	110.77	113.50	2.46%
BV20A	5,000.00	5,145	103.00	102.90	-0.10%
BV30A	15,000.00	14,688	97.89	98.00	0.11%
CB27A	11,500.00	11,651	100.10	100.11	0.01%
CF26A	19,700.00	20,390	103.00	103.50	0.49%
DF26A	13,000.00	13,642	105.00	105.95	0.90%
EF27A	20,000.00	20,505	103.00	102.50	-0.49%
GC21A	5,000.00	4,950	99.39	99.00	-0.39%
GP23A	72,500.00	73,999	102.10	103.00	0.88%
HB18A	5,900.00	6,166	104.50	104.50	0.00%
HM24A	15,000.00	15,481	103.52	103.01	-0.49%
HP25A	47,400.00	49,774	105.00	105.00	0.00%
IG24A	32,300.00	34,508	107.07	106.01	-0.99%
IH21A	14,800.00	15,777	106.65	106.50	-0.14%
IH25A	17,900.00	18,895	105.51	105.56	0.05%
IH26A	45,600.00	46,823	102.50	103.00	0.49%
IH26B	16,500.00	16,773	101.50	101.50	0.00%
MD26A	28,500.00	29,071	102.00	102.00	0.00%

Source: Malta Stock Exchange

Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	04.08.2017	11.08.2017	Week % Change
MF24A	2,000.00	2,115	106.500	105.760	-0.69%
MI21A	2,500.00	2,606	104.250	104.250	0.00%
MI22A	25,000.00	26,001	103.640	104.010	0.36%
MM26A	5,000.00	5,135	102.510	102.700	0.19%
MS26A	50,000.00	50,910	101.810	101.820	0.01%
PC26A	22,000.00	22,483	101.010	102.750	1.72%
PG20A	2,500.00	2,600	103.760	104.000	0.23%
PG22A	4,000.00	4,360	109.000	109.000	0.00%
PT24A	126,300.00	128,826	102.000	102.000	0.00%
SD27A	85,000.00	87,185	102.990	102.500	-0.48%
TI27A	378,000.00	392,211	103.500	103.750	0.24%
VH24A	55,000.00	54,995	100.000	99.980	-0.02%

Source: Malta Stock Exchange

Local Market – Main Movers

- Fimbank plc was this week's best former, increasing 12.5% to €0.80 over 340,000 shares. Fimbank reported positive results for the first half of 2017 on Thursday.
- Medserv plc was up 7.4% this week. The Board of Directors are scheduled to meet on the 23rd of August to approve 2017 interim results.
- International Hotel Investments plc climbed 3% to €0.62 from last week's close at €0.60
- Malita Investments plc closed at €0.76 this week, 2.6% higher than last week's close. Malita reported their interim results on Wednesday.
- Tigne Mall plc fell by 4.1% to €0.93. – It announced that HSBC Life Assurance (Malta) Ltd has transferred 3 million ordinary shares in the company to Amalgamated Investments SICAV plc, reducing HSBC Life Assurance (Malta) Ltd 's shareholding from 19.96% to 14.64%
- Plaza Centres plc dropped 4.3% this week to €1.1 over 45,000 shares
- Malta Properties Company plc retreated 2.9% this week following the release of their interim results.

Local Market Company Announcements

- **Malta Properties Company plc** reported results for the first 6-months of 2017:
 - Revenue decreased by 7.5% for this period primarily as a result of the properties being held for redevelopment. Operating profit decreased by 22% reflecting both the reduction in revenue and a 62% increase in administrative expenses. No dividend is being recommended.
- **Bank of Valletta plc** (“BOV”) disclosed financial information for the period January to June 2017. BOV is changing its accounting year end from 30th September to 31st December.
- **Mediterranean Investments Holding plc** reported half-yearly results:
 - Revenue came in significantly higher in the first six months of 2017 when compared to the same period last year, increasing from €1.9m to €3.0. (+58%). Occupancy levels increased from 10% to 18% by the end of June 2017.
 - The Company’s operating performance improved YoY as a result of higher revenue and successful cost control measures.
- **Malta International Airport plc** July 2017 Traffic results: 15.5% increase in passenger numbers over July 2016
- **Malita Investments plc** approval of Interim financial statements:
 - Results largely in line with previous year. Profit before tax from core operations down 0.5% to €2.6million with the decline driven by 41.9% higher administrative fees of €337,483
 - Malita announced an investment of €7 million on the Parliament Building with additional revenue received as from 1st June 2017
- **Fimbank plc** reported results for the first 6-months of 2017:
 - Net income for the period rose 340% to \$4.1million driven by a better operating performance and a reversal of impairment loss in 1H17, partially offset by higher profit from trading assets in 1H16. No dividend is being recommended.

Simonds Farsons Cisk plc - New Bond Issue

Bond Characteristics:

Issuer	Simonds Farsons Cisk plc
Maturity	13 th September 2027
Coupon	3.50%
Price	€100
Coupon Frequency	Annually on the 13 th September
Yield	3.50%
Rank	Unsecured
Amount Issued	€20 million

Expected Timetable

Application forms mailed to Maturing Bondholders	8 th August 2017
Closing date for applications received from Maturing Bondholders	5 th September 2017
Intermediaries' Offer	7 th September 2017
Commencement of interest	13 th September 2017
Expected date of commencement of trading	22 nd September 2017

Use of Proceeds

The proceeds from the Bond Issue, which net of expenses are expected to amount to approximately €19.6 million, will be used by the Issuer for the following purposes:

- A maximum amount of €15 million will be used by the Issuer for the purpose of redeeming any outstanding balance of the Bonds 2017-2020 remaining in issue as at the 1st of August ("Cut-off Date")
- The remaining amount of approximately €4.6 million will be used by the Issuer for general corporate purposes including the funding of the capital investment programme

Financial Events Calendar

Date	Event
10 th August	Tigne Mall plc approval of Interim Accounts and consider the declaration of an interim dividend
23 rd August	Medserv plc approval of Interim Accounts and consider the declaration of an interim dividend
24 th August	Lombard Bank plc approval of Interim Accounts and consider the declaration of an interim dividend
29 th August	Midi plc, Hili Properties plc, PTL plc and Premier Capital plc approval of Interim Accounts

The information presented in this commentary is solely provided for informational purposes and is not to be interpreted as investment advice, or to be used or considered as an offer or a solicitation to sell/buy or subscribe for any financial instruments, nor to constitute any advice or recommendation with respect to such financial instruments. Curmi and Partners Ltd. is a member of the Malta Stock Exchange, and is licensed by the MFSA to conduct investment services business