

Curmi and Partners : Local Market commentary

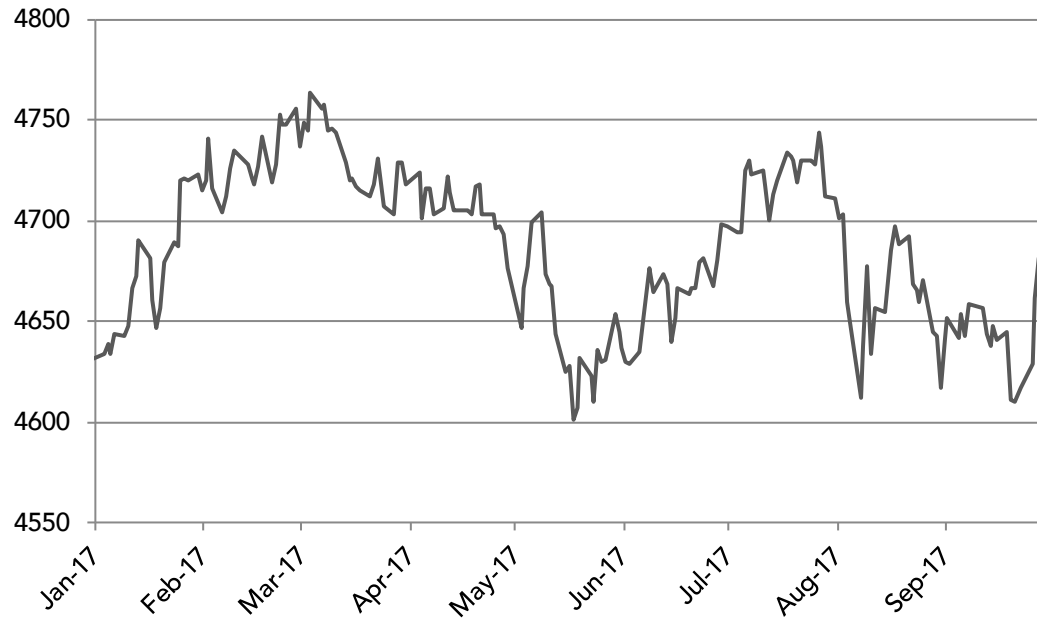
Local Market Update
Week ending 29th September 2017

MSE Performance Vs International Markets

Index	30/12/2016	22/09/2017	29/09/2017	YTD	Week %
EURO STOXX 50	3290.52	3541.42	3594.85	9.2%	1.5%
Deutsche Boerse AG	11481.06	12592.35	12828.86	11.7%	1.9%
CAC 40	4862.31	5281.29	5329.81	9.6%	0.9%
S&P 500	2238.83	2502.22	2514.93	12.3%	0.5%
FTSE 100 Index	7142.83	7310.64	7372.76	3.2%	0.8%
MSE Price Index	4630.88	4616.85	4693.59	1.4%	1.7%
MSE Total Return Index	8798.58	8868.45	9015.86	2.5%	1.7%

Source: Bloomberg; Malta Stock Exchange

MSE Price Index Performance YTD



Source: Malta Stock Exchange

•The MSE Index broke a two-week negative streak, stepping higher by 1.7% to 4693.59 points after five consecutive days of gains. This movement was primarily a result of the improved performances of Malta International Airport plc, Simonds Farsons Cisk, International Hotel Investments plc and PG plc, three of the ten largest companies on the MSE in terms of market capitalisation. Trading volumes declined this week with the majority of shares being traded in Bank of Valletta plc, Tigne Mall plc and Malita Investments plc

Local Market – Main Movers

- PG plc was this week's best performer, increasing 6.38% to a new high of €1.50 over 87,848 shares.
- International Hotel Investments plc regained 6.14% of last week's 6.4% loss, closing at €0.61.
- Simonds Farsons Cisk plc reached yet another high, rallying 5.6% to €9.50 over 8 trades totalling 24,533 shares. SFC reported their interim results this week which showed growth in turnover and profitability across all business segments.
- Malta International Airport plc, Mapfre Middlesea plc and Malta Properties Company plc all improved by 3% this week, contributing to the MSE's positive weekly performance.
- Bank of Valletta plc was the most actively traded stock with 143,420 shares exchanging hands, dropping its share price by 0.96 to €2.07. Fimbank plc also closed lower this week reaching a 52-week low of 0.71 over just 4,161 shares.
- Tigne Mall plc and Malita Investments plc were amongst the most actively traded stocks this week closing 1.8% and 1.1% lower.

Local Market Overview – Equities

Security	Trade Volume	Trade Value	22.09.2017	29.09.2017	Week % Change
Bank of Valletta plc	143,420	299,533	2.09	2.07	-0.96%
Fimbank plc	4,161	2,954	0.73	0.71	-2.07%
GO plc	10,531	37,638	3.51	3.59	2.28%
HSBC Bank Malta plc	57,210	109,672	1.90	1.94	1.79%
International Hotel Investments plc	18,969	11,425	0.57	0.61	6.14%
Lombard Bank plc	20,230	44,630	2.22	2.20	-0.68%
Midi plc	3,500	1,085	0.31	0.31	0.00%
Malta International Airport plc	50,704	223,571	4.32	4.46	3.24%
Malita Investments plc	109,262	81,455	0.75	0.74	-1.07%
Mapfre Middlesea plc	6,805	13,058	1.88	1.94	3.14%
Malta Properties Company plc	2,560	1,296	0.50	0.52	3.18%
Maltapost plc	6,240	12,380	1.98	1.98	0.00%
PG Group plc	87,848	126,083	1.41	1.50	6.38%
Plaza Centres plc	10,000	10,500	1.05	1.05	0.00%
RS2 Software plc	11,500	19,840	1.74	1.74	0.00%
Simonds Farsons Cisk plc	24,533	232,829	9.00	9.50	5.56%
Tigne Mall plc	103,000	98,880	0.98	0.96	-1.84%

Source: Malta Stock Exchange

Local Market Overview – Equities

Company Name	Market Cap	Shares in Issue	EPS	P/E Ratio	Interim Div	Final Div	LTM Div	LTM Div Yield
Bank of Valletta plc	€ 882,000,000	420,000,000	€0.243	8.64	€ 0.045	€ 0.079	€ 0.124	5.91%
HSBC Bank Malta plc	€ 688,184,649	360,306,099	€0.112	17.05	€ 0.047	€ 0.041	€ 0.088	4.61%
Malta International Airport plc	€ 602,085,000	135,300,000	€0.155	28.69	€ 0.046	€ 0.108	€ 0.154	3.46%
International Hotel Investments plc	€ 372,489,377	615,684,920	-€0.012	-	-	-	€ -	-
GO plc	€ 362,691,547	101,310,488	€0.182	19.67	-	€ 0.110	€ 0.110	3.07%
RS2 Software plc	€ 291,596,952	171,527,619	€0.004	425.00	-	€ 0.010	€ 0.010	0.59%
Simonds Farsons Cisk plc	€ 285,030,000	30,000,000	€0.404	23.49	€ 0.033	€ 0.080	€ 0.113	1.19%
FIMBank plc	€ 223,279,930	314,478,774	\$ 0.016	44.10	-	-	€ -	-
Mapfre Middlesea plc	€ 178,296,000	92,000,000	€0.050	38.76	-	€ 0.038	€ 0.038	1.97%
PG plc	€ 162,000,000	108,000,000	€0.350	4.29	-	-	€ -	-
Malita Investments plc	€ 110,340,508	148,108,064	€0.043	17.17	€ 0.013	€ 0.023	€ 0.036	4.78%
Lombard Bank Malta plc	€ 97,191,235	44,177,834	€0.107	20.56	-	€ 0.040	€ 0.040	1.82%
MaltaPost plc	€ 75,309,440	37,654,720	€0.060	33.33	-	€ 0.062	€ 0.062	3.08%
MIDI plc	€ 66,389,576	214,159,922	-€0.012	-	-	€ 0.007	€ 0.007	2.26%
Medserv plc	€ 64,493,281	53,744,401	€0.059	20.34	-	-	€ -	-
Tigné Mall plc	€ 54,144,000	56,400,000	€0.036	26.45	€ 0.013	€ 0.013	€ 0.025	2.64%
Malta Properties Company plc	€ 50,959,175	101,310,488	€0.030	16.77	-	-	€ -	-
Plaza Centres plc	€ 31,768,102	30,255,335	€0.045	23.39	-	€ 0.045	€ 0.045	4.29%
Grand Harbour Marina plc	€ 17,880,000	20,000,000	€0.017	52.59	-	-	€ -	-
GlobalCapital plc	€ 9,900,000	30,000,000	€0.071	4.65	-	-	€ -	-
Santumas Shareholdings plc	€ 9,707,806	4,432,788	€0.358	6.12	-	-	€ -	-
Loqus Holdings plc	€ 5,582,325	31,899,000	€0.008	21.88	-	-	€ -	-

Source: Malta Stock Exchange; Curmi and Partners Ltd

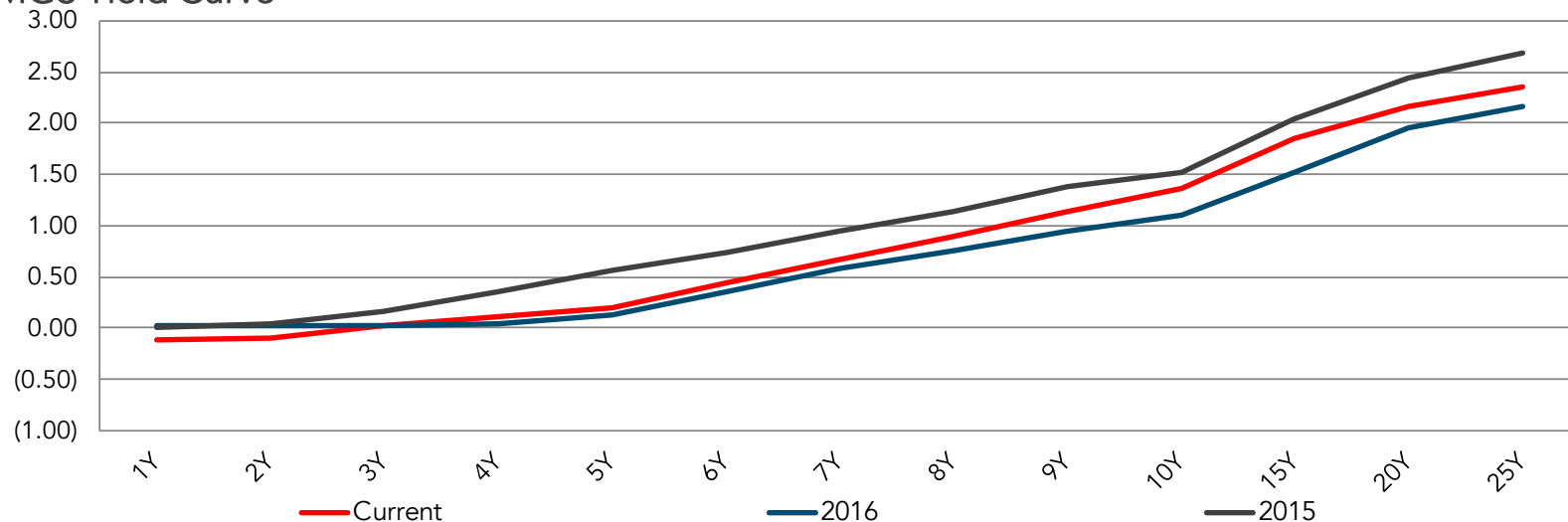
Malta Government Stocks

Malta vs. German Sovereign Yields Summary

Years to Maturity	MGS Yield (%)	German Yield (%)	Spread (bps) 31-Dec-16	Spread (bps) 29-Sep-17
2	(0.09)	(0.70)	83	61
5	0.20	(0.27)	67	47
7	0.67	(0.01)	86	68
10	1.36	0.47	90	89
15	1.85	0.68	107	117
20	2.17	0.97	127	119
25	2.36	1.16	128	120

- A total of 22 local sovereign bonds were traded this week. The majority of trades were made in the longer dated bonds. The 2.10% 2039 I was the most actively traded sovereign bond this week, closing at €99.5 with a YTM of 2.18%

MGS Yield Curve



Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	22.09.2017	29.09.2017	Week % Change
BV19A	38,700	39,789	102.80	102.80	0.00%
BV19B	17,000	17,682	104.01	104.01	0.00%
BV20A	37,800	38,773	105.00	102.55	-2.33%
BV30B	41,000	39,665	97.00	96.40	-0.62%
CB21A	3,000	3,105	106.99	103.51	-3.25%
CB27A	37,000	38,003	102.99	102.65	-0.33%
CF26A	6,500	6,587	103.00	100.01	-2.90%
DF26A	37,000	39,475	105.95	106.50	0.52%
EF27A	172,000	177,110	102.50	103.49	0.97%
GC21A	15,000	14,854	99.00	99.26	0.26%
GF21A	45,300	46,319	102.02	102.26	0.24%
GH27A	49,500	51,643	103.75	104.49	0.71%
GP23A	6,500	6,683	103.00	103.00	0.00%
HB18A	23,000	23,989	104.50	104.30	-0.19%
HM24A	29,500	31,158	106.00	103.51	-2.35%
HP25A	7,200	7,524	104.50	104.50	0.00%
IG24A	14,600	15,622	108.00	106.01	-1.84%
IH21A	7,500	7,800	104.00	104.00	0.00%
IH25A	800	846	105.70	105.70	0.00%
IH26A	56,200	57,657	102.50	102.50	0.00%

Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	22.09.2017	29.09.2017	Week % Change
IH26B	9,700	9,884	102.99	101.90	-1.06%
MD26A	16,100	16,613	102.51	103.85	1.31%
MF24A	1,000	1,067	106.45	106.65	0.19%
MI21A	2,100	2,148	104.25	102.30	-1.87%
MI22A	3,000	3,128	104.25	104.25	0.00%
MM26A	25,000	25,750	105.00	103.00	-1.90%
MS23A	1,200	1,296	106.50	108.00	1.41%
MS26A	6,000	6,180	102.810	103.000	0.18%
PC26A	66,100	67,660	103.000	102.010	-0.96%
PG22A	40,000	42,840	107.000	107.100	0.09%
PT24A	35,200	36,438	103.700	103.690	-0.01%
PZ26A	50,000	50,575	101.150	101.150	0.00%
SD27A	59,400	61,181	103.000	103.000	0.00%
SF27A	94,100	97,748	103.050	103.050	0.00%
TI27A	25,600	26,497	103.510	103.500	-0.01%
UF23A	4,000	4,320	108.000	108.000	0.00%
VH24A	30,000	29,740	99.000	99.000	0.00%

Source: Malta Stock Exchange

Local Market Company Announcements

- **Simonds Farson Cisk plc** reported results for the six months ending 31st July 2017. Revenue from continuing operations grew by 7.5% to €49.2million and operating profit by 6.0% to €6.8 million. Profit before tax came in at €5.8 million, a 4.3% increase from the same period last year. EPS for this period of €0.193 was 4.3% higher, whilst the dividend declared was unchanged. SFC's performance has been supported by management's efforts and focus on increasing productivity and efficiency through substantial investments, particularly in the manufacturing segment. The Group has also leveraged on Malta's strong economic performance on which it is highly dependent.
- **Mediterranean Bank plc** announced that they have received admissibility to listing for a new bond issue:

Maturity	13th October 2027
Coupon	5.0%
Price	€100 for Eur bond and £100 for GBP bond
Coupon Frequency	Annually on the 13 th of October
Rank	Unsecured and Subordinated
Amount Issued	€20 million
Application Period	27 th September – 13 th October

Local Financial Events Calendar

Date	Event
27 th October	Santumas Shareholding Annual General Meeting

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