

# Curmi and Partners : Local Market commentary

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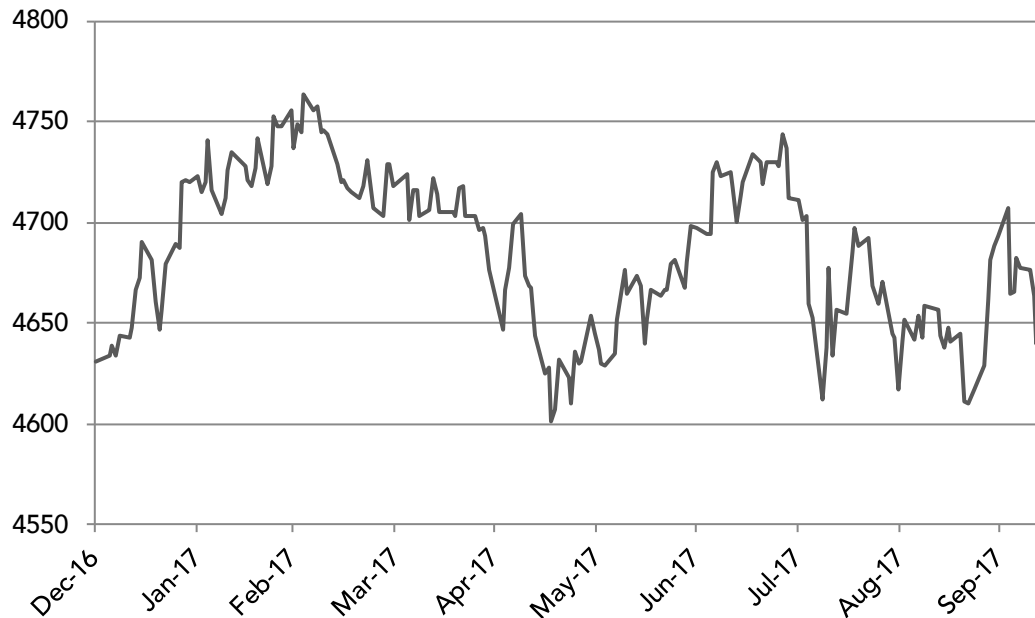
Local Market Update  
Week ending 13th October 2017

## MSE Performance Vs International Markets

Index	30/12/2016	06/10/2017	13/10/2017	YTD	Week %
EURO STOXX 50	3290.52	3603.32	3600.86	9.4%	-0.1%
Deutsche Boerse AG	11481.06	12955.94	12974.07	13.0%	0.1%
CAC 40	4862.31	5359.90	5347.81	10.0%	-0.2%
S&P 500	2238.83	2549.33	2553.34	14.0%	0.2%
FTSE 100 Index	7142.83	7522.87	7533.60	5.5%	0.1%
MSE Price Index	4630.88	4677.16	4680.09	1.1%	0.1%
MSE Total Return Index	8798.58	8982.77	8988.38	2.2%	0.1%

Source: Bloomberg; Malta Stock Exchange

## MSE Price Index Performance YTD



Source: Malta Stock Exchange

- The MSE Index closed relatively flat, up 0.1% this week to 4684.19 points following four consecutive days of losses. The Index recovered most of its losses on Thursday closing 0.74% higher and edged 0.12% higher on Friday.

## Local Market – Main Movers

- Global Capital plc was this week's best performer, increasing 15.26% to €0.37 on Friday over 1 trade of 5,000 shares
- Maltapost plc regained last week's loss closing 3.99% higher to €1.98. It was announced that the Board of Directors will be meeting on the 11<sup>th</sup> of December to approve the company's annual financial statements
- Santumas Shareholding plc was up 2.74% this week reaching a 10-month high of €2.25
- International Hotels Investments plc gained 2.33% on Thursday, closing the week at €0.61. A total value of €141,308 shares were traded
- Malta International Airport plc closed at €4.60 over 200,930 shares, an increase of 1.1% following the announcement of September 2017 traffic results
- Malita Investments plc gained 1.21% over a single trade of 4,000 shares
- Grand Harbour Marina plc was this week's worst performer declining 18.79% this week over just 2,800 shares. The Company announced that an EGM will be held on the 14<sup>th</sup> November 2017.
- Lombard Bank plc retreated 3.46% to €2.20
- GO plc fell 1.22% further following last weeks 2.09% decline. Shares closed at €3.47 over 12,802 shares
- Midi plc was the most actively traded stock this week with 750,000 shares traded over 8 trades closing at €0.31
- Bank of Valletta plc closed 0.33% lower over 457,904 shares whilst HSBC Bank Malta plc did not register any price movements over the 25 trades that took place this week

## Local Market Overview – Equities

Security	Trade Volume	Trade Value	06.10.2017	13.10.2017	Week % Change
Bank of Valletta plc	457,904	963,471	2.11	2.10	-0.33%
Fimbank plc	10,000	6,998	0.70	0.70	0.00%
Global Capital plc	5,000	1,850	0.32	0.37	15.26%
Grand Harbour Marina plc	2,800	2,033	0.89	0.73	-18.79%
GO plc	12,802	44,516	3.52	3.47	-1.22%
HSBC Bank Malta plc	146,117	275,761	1.90	1.90	0.00%
International Hotels Investments plc	234,593	141,308	0.60	0.61	2.33%
Lombard Bank plc	9,684	21,310	2.28	2.20	-3.46%
Midi plc	795,000	246,450	0.310	0.310	0.00%
Medserv plc	159,257	197,693	1.260	1.260	0.00%
Malta International Airport	200,930	919,383	4.550	4.600	1.10%
Malita Investments plc	4,000	3,000	0.741	0.750	1.21%
Malta Properties Company plc	31,570	16,085	0.529	0.530	0.19%
Maltapost plc	18,953	37,437	1.904	1.980	3.99%
PG Group plc	141,822	212,381	1.490	1.500	0.67%
Plaza Centres plc	53,000	55,560	1.050	1.050	0.00%
RS2 Software plc	169,452	284,767	1.700	1.689	-0.65%
Simonds Farsons Cisk plc	1,881	17,813	9.470	9.470	0.00%
Santumas Shareholdings plc	19,976	44,022	2.190	2.250	2.74%
Tigne Mall plc	55,500	53,280	0.960	0.960	0.00%

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	0.24	8.64	€ 0.045	€ 0.079	€ 0.124	5.91%
HSBC Bank Malta plc	€ 684,581,588	360,306,099	0.11	16.96	€ 0.047	€ 0.041	€ 0.088	4.63%
Malta International Airport plc	€ 622,380,000	135,300,000	0.16	29.66	€ 0.046	€ 0.108	€ 0.154	3.34%
International Hotel Investments plc	€ 378,030,541	615,684,920	-0.01	-	€ -	€ -	€ -	-
GO plc	€ 351,750,014	101,310,488	0.18	19.08	€ -	€ 0.110	€ 0.110	3.17%
RS2 Software plc	€ 289,710,148	171,527,619	0.00	422.25	€ -	€ 0.010	€ 0.010	0.59%
Simonds Farsons Cisk plc	€ 284,100,000	30,000,000	0.40	23.42	€ 0.033	€ 0.080	€ 0.113	1.20%
FIMBank plc	€ 220,135,142	314,478,774	0.02	43.48	\$ -	\$ -	€ -	-
Mapfre Middlesea plc	€ 169,648,000	92,000,000	0.05	36.88	€ -	€ 0.038	€ 0.038	2.07%
PG plc	€ 162,000,000	108,000,000	0.35	4.29	€ -	€ -	€ -	-
Malita Investments plc	€ 111,081,048	148,108,064	0.04	17.28	€ 0.013	€ 0.023	€ 0.036	4.75%
Lombard Bank Malta plc	€ 97,235,413	44,177,834	0.11	20.57	€ -	€ 0.040	€ 0.040	1.82%
MaltaPost plc	€ 74,556,346	37,654,720	0.06	33.00	€ -	€ 0.062	€ 0.062	3.11%
Medserv plc	€ 67,717,945	53,744,401	0.06	21.36	€ -	€ -	€ -	-
MIDI plc	€ 66,389,576	214,159,922	-0.01	-	€ -	€ 0.007	€ 0.007	2.26%
Tigné Mall plc	€ 54,144,000	56,400,000	0.04	26.45	€ 0.013	€ 0.013	€ 0.025	2.64%
Malta Properties Company plc	€ 53,694,559	101,310,488	0.03	17.67	€ -	€ -	€ -	-
Plaza Centres plc	€ 31,768,102	30,255,335	0.04	23.39	€ -	€ 0.045	€ 0.045	4.29%
Grand Harbour Marina plc	€ 14,520,000	20,000,000	0.02	42.71	€ -	€ -	€ -	-
GlobalCapital plc	€ 11,100,000	30,000,000	0.07	5.21	€ -	€ -	€ -	-
Santummas Shareholdings plc	€ 9,973,773	4,432,788	0.36	6.28	€ -	€ -	€ -	-
Loqus Holdings plc	€ 5,582,325	31,899,000	0.01	21.88	€ -	€ -	€ -	-

Source: Malta Stock Exchange; Curmi and Partners Ltd

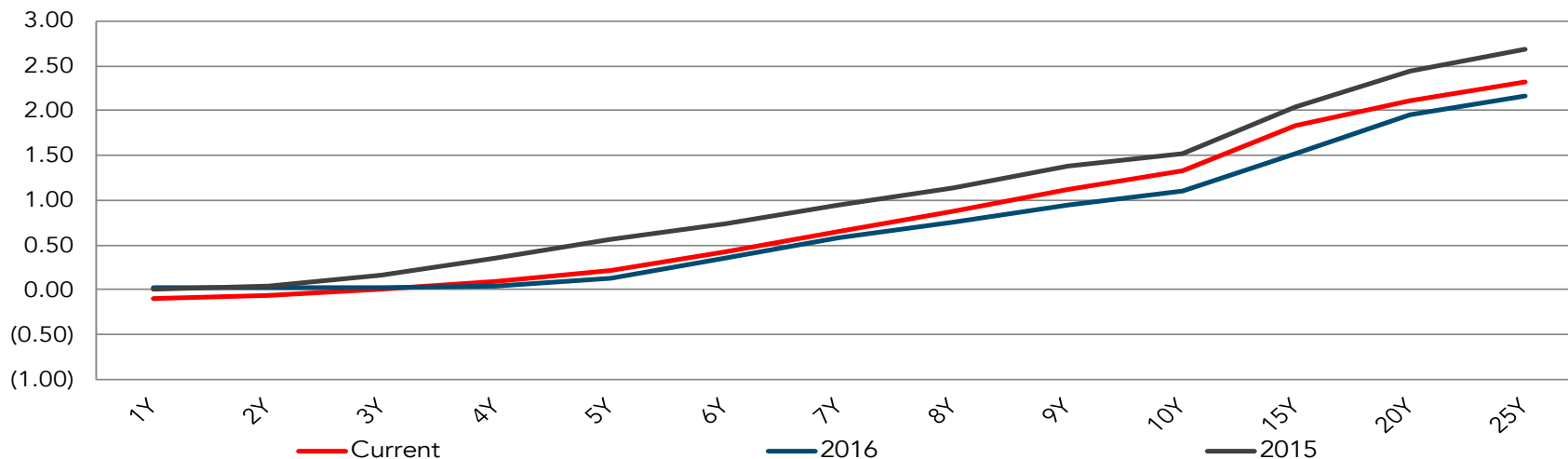
## Malta Government Stocks

### Malta vs. German Sovereign Yields Summary

Years to Maturity	MGS Yield (%)	German Yield (%)	Spread (bps) 31-Dec-16	Spread (bps) 13-Oct-17
2	(0.07)	(0.73)	83	66
5	0.21	(0.31)	67	53
7	0.65	(0.06)	86	71
10	1.33	0.41	90	93
15	1.84	0.63	107	121
20	2.12	0.93	127	119
25	2.32	1.10	128	122

- A total of 23 local sovereign bonds were traded this week. The 2.10% 2039 I was the most actively traded MGS, closing at €100.64 with a YTM of 2.06%
- MGS spreads widened this week as German bonds rallied today following reports that European Central Bank policy makers agreed to extend QE for at least nine months. MGS yields remained relatively unchanged from last week.

### MGS Yield Curve



## Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	06.10.2017	13.10.2017	Week % Change
AX24A	16,400	18,204	111.00	111.00	0.00%
BV18A	32,700	33,113	100.51	101.49	0.98%
BV19A	7,500	7,711	102.80	102.81	0.01%
BV19B	19,000	19,608	103.00	103.20	0.19%
BV20A	11,400	11,639	103.00	102.10	-0.87%
BV30A	40,000	39,800	99.00	99.50	0.51%
CB27A	38,700	39,662	101.51	102.59	1.06%
GC21A	130,000	129,010	99.240	99.250	0.01%
GF21A	11,600	11,862	102.260	102.260	0.00%
GH27A	27,100	28,184	104.000	104.000	0.00%
GP23A	143,000	146,575	102.500	102.500	0.00%
HB18A	12,400	12,648	104.300	102.000	-2.21%
HM24A	1,700	1,764	103.750	103.750	0.00%
HP25A	18,900	19,375	104.500	102.510	-1.90%
IG24A	55,700	59,454	106.500	107.150	0.61%
IH25A	20,100	21,306	105.750	106.010	0.25%
IH26A	47,000	48,344	102.500	103.390	0.87%
IH26B	5,000	5,125	100.000	102.490	2.49%

Source: Malta Stock Exchange



## Local Market Overview – Corporate Bonds

Security	Trade Volume	Trade Value	06.10.2017	13.10.2017	Week % Change
MB19A	13,000	13,783	106.01	106.02	0.01%
MB24A	75,000	77,258	103.01	103.01	0.00%
MD26A	29,200	30,045	102.95	102.96	0.01%
MF24A	24,000	25,595	106.65	106.65	0.00%
MI20A	10,000	10,372	103.71	103.72	0.01%
MI22A	11,900	12,314	103.35	103.50	0.15%
MM26A	51,000	53,530	105.00	103.00	-1.90%
MS23A	47,900	50,894	106.250	106.250	0.00%
MS26A	5,000	5,141	103.000	102.810	-0.18%
PC26A	81,800	83,439	100.500	102.980	2.47%
PG22A	2,000	2,120	106.000	106.000	0.00%
PT24A	181,800	188,158	103.500	103.500	0.00%
SD27A	95,500	98,364	103.000	102.990	-0.01%
SF27A	36,500	38,017	103.200	105.000	1.74%
TI24A	7,700	8,258	107.250	107.000	-0.23%
UF23A	15,000	16,200	108.000	108.000	0.00%
VH24A	135,000	134,485	99.500	99.000	-0.50%

Source: Malta Stock Exchange

## Local Market Company Announcements

- **Malta International Airport plc** published their September traffic results on Tuesday.
  - Passenger movements increased by more than 89,000, a 16.7% increase over the same period last year.
  - Aircraft movements and seat capacity increased by 14.6% and 17.0% respectively. However, September's seat load factor was unchanged at 86.7%.
  - Top Markets: United Kingdom (+4.7%), Italy (+10.5%), Germany (+25.8%), France (+17.6%) and Spain(+43.8%). The substantial increase in passenger movements in September coming from Spain are partly due to increased flight frequencies to Madrid.
  
- **6PM Holdings plc** announced that it has restated both 2014 and 2015 end of year results, these changes had a significantly negative impact on the Group's performance. Results were misstated due to incorrect and inconsistent application of accounting standards as well as poor internal control management. 6PM also published end of year (2016) results showing a weak performance in comparison to the restated figures of the previous years as set out below. The 5.1% 2025 bond has been suspended due to delays in publishing end of year results, the suspension has been extend as 6PM has still not published the 2017 Interim Report.

	2015 restated	2016
Revenue	8.4m	7.1m
Operating profit/ (loss)	(2.7)m	(10.4)m
EBITDA Estimate	(0.5)m	(1.1)m
Profit /(loss) before tax	(3.2)m	(12.7)m
Profit /(loss)	(4.8)m	(12.1)m
Net Assets / (Liabilities)	(0.5)m	(13.8)m
EBITDA Margin	-6.4%	-15.8%
Interest Coverage	-1.9x	-0.5x
Gearing ratio	104.2%	7895.5%
Net Debt/EBITDA	-18.9x	-11.8x

## Local Financial Events Calendar

Date	Event
27 <sup>th</sup> October	Santumas Shareholding Annual General Meeting
14 <sup>th</sup> November	Grand Harbour Marina plc Extraordinary General Meeting
11 <sup>th</sup> December	Malta Post plc Board meeting to approve Financial Statements for the year ended 30 September 2017

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