

Curmi and Partners : Local Market commentary

Local Market Update
Week ending 24th November 2017

MSE Performance Vs International Markets

Index	30/12/2016	17/11/2017	24/11/2017	YTD	Week %
EURO STOXX 50	3290.52	3547.46	3593.95	9.22%	1.31%
Deutsche Boerse AG	11481.06	12993.73	13124.46	14.31%	1.01%
CAC 40	4862.31	5319.17	5410.87	11.28%	1.72%
S&P 500	2238.83	2578.85	2597.08*	16.00%	0.71%
FTSE 100 Index	7142.83	7380.68	7422.19	3.91%	0.56%
MSE Price Index	4630.88	4476.17	4419.77	-4.56%	-1.26%
MSE Total Return Index	8798.58	8601.70	8493.31	-3.47%	-1.26%

Source: Bloomberg; Malta Stock Exchange

MSE Price Index Performance YTD



Source: Malta Stock Exchange

- The MSE Index closed in the negative for the sixth consecutive week reaching an 11 month low. The index dropped to 4,419.77 points, losing 1.26% this week. The main contributors were International Hotels Investments Plc (down 6.29%) and Go Plc (down 2.36%), due to their significant market capitalization.

Local Market Overview – Equities

Security	Shares Traded	Trade Value	17.11.2017	24.11.2017	Week % Change
Bank of Valletta plc	416,620.00	760,220	1.80	1.79	-0.78%
Fimbank plc	185,846.00	112,208	0.60	0.63	5.00%
GlobalCapital Plc	3,500.00	1,190	0.36	0.34	-4.76%
GO plc	75,360.00	271,114	3.60	3.52	-2.36%
HSBC Bank Malta plc	75,571.00	140,859	1.86	1.86	0.00%
International Hotel Investments plc	9,863.00	6,023	0.62	0.58	-6.29%
Lombard Bank plc	16,448.00	36,186	2.20	2.20	0.00%
Midi plc	207,000.00	68,835	0.33	0.34	4.62%
Medserv Plc	4,500.00	5,425	1.27	1.21	-4.74%
Malta International Airport	16,410.00	75,243	4.620	4.600	-0.43%
Malita Investments plc	37,100.00	27,862	0.751	0.751	0.00%
Mapfre Middlesea Plc	12,633.00	22,895	1.900	1.780	-6.32%
Malta Properties Company plc	71,988.00	36,002	0.507	0.500	-1.38%
PG Group plc	27,200.00	39,440	1.480	1.450	-2.03%
Plaza Centres Plc	5,000.00	5,055	1.00	1.01	0.90%
RS2 Software Plc	24,746.00	37,718	1.550	1.523	-1.74%
Simonds Farsons Cisk Plc	2,776.00	24,349	8.760	8.760	0.00%

Source: Malta Stock Exchange

Local Market Overview – Equities

MSE Code	Market Capitalisation	Total Shares Outstanding	EPS	P/E Ratio	Interim Div (Net)	Final Div (Net)	LTM Div (Net)	LTM Div Yield (Net)
BOV	€ 750,120,000	420,000,000	€0.243	7.35	€ 0.029	€ 0.055	€ 0.084	4.72%
HSB	€ 670,169,344	360,306,099	€0.112	16.61	€ 0.030	€ 0.027	€ 0.057	3.06%
MIA	€ 373,427,954	81,179,990	€0.155	29.66	€ 0.030	€ 0.070	€ 0.100	2.17%
IHI	€ 357,712,939	615,684,920	-€0.010	Negative	€ -	€ -	€ -	
GO	€ 356,106,365	101,310,488	€0.182	19.31	€ -	€ 0.110	€ 0.110	3.13%
SFC	€ 262,800,000	30,000,000	€0.395	22.18	€ 0.033	€ 0.080	€ 0.113	1.29%
RS2	€ 261,236,564	171,527,619	€0.004	380.75	€ -	€ 0.010	€ 0.010	0.66%
FIM	€ 198,121,628	314,478,774	\$0.016	39.13	\$ -	\$ -	€ -	
MMS	€ 163,760,000	92,000,000	€0.050	35.60	€ -	€ 0.038	€ 0.038	2.15%
PG	€ 156,600,000	108,000,000	€0.350	4.14	€ -	€ -	€ -	
LOM	€ 97,191,411	44,177,914	€0.107	20.56	€ -	€ 0.026	€ 0.026	1.18%
MTP	€ 78,284,163	37,654,720	€0.060	34.65	€ -	€ 0.040	€ 0.040	1.92%
MDI	€ 72,814,373	214,159,922	-€0.012	Negative	€ -	€ 0.007	€ 0.007	2.06%
MDS	€ 64,762,008	53,744,405	€0.059	20.42	€ -	€ -	€ -	
TML	€ 54,144,000	56,400,000	€0.036	26.45	€ 0.013	€ 0.013	€ 0.025	2.64%
MPC	€ 50,655,244	101,310,488	€0.030	16.67	€ -	€ -	€ -	
PZC	€ 28,552,662	28,242,000	€0.045	22.52	€ -	€ 0.029	€ 0.029	2.91%
MLT	€ 22,530,000	30,000,000	€0.043	17.30	€ 0.009	€ 0.015	€ 0.023	3.12%
GHM	€ 14,520,000	20,000,000	€0.017	42.71	€ -	€ -	€ -	
GCL	€ 10,200,000	30,000,000	€0.071	4.79	€ -	€ -	€ -	
STS	€ 9,973,773	4,432,788	€0.360	6.25	€ -	€ -	€ -	
LQS	€ 5,582,325	31,899,000	€0.015	11.67	€ -	€ -	€ -	

Source: Malta Stock Exchange; Curmi and Partners Ltd

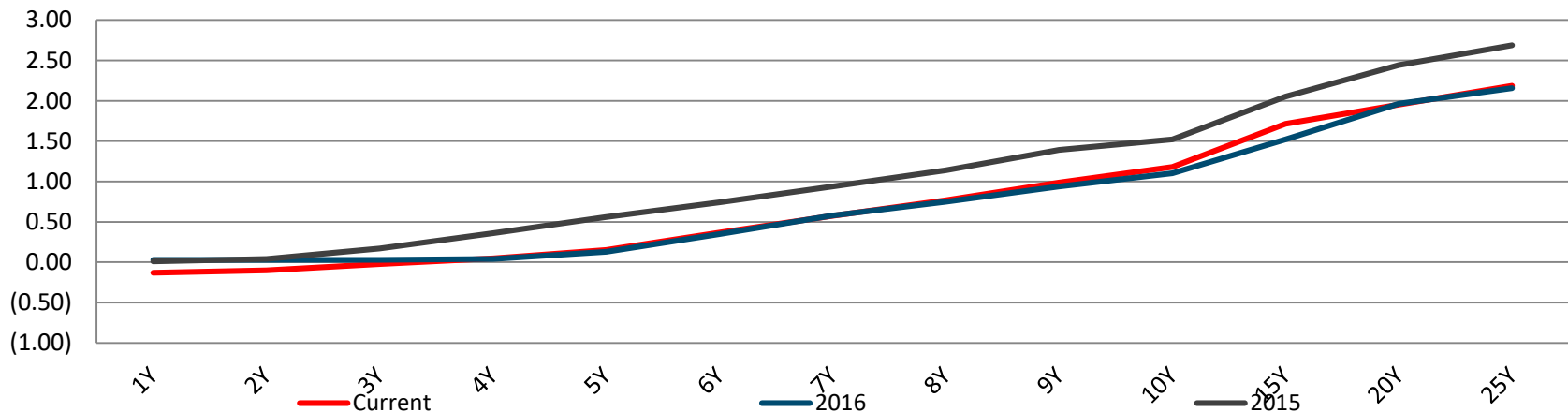
Malta Government Stocks

Malta vs. German Sovereign Yields Summary

Years to Maturity	MGS Yield (%)	German Yield (%)	Spread (bps) 31-Dec-16	Spread (bps) 24-Nov-17
2	-0.10	-0.70	83	60
5	0.15	-0.33	67	48
7	0.57	-0.07	86	64
10	1.18	0.36	90	82
15	1.71	0.59	107	113
20	1.95	0.88	127	107
25	2.18	1.04	128	115

- A total of 23 local sovereign bonds were traded this week. The 2.10% 2039 I was the most actively traded MGS, closing at €101.99 with a YTM of 1.99%
- German bund yields declined across the curve, as a result of the political uncertainty, caused by Angela Merkel's failure to form a coalition government.

MGS Yield Curve



Local Market Overview – Corporate Bonds

Security	Traded Value	Notional Value	Traded (EUR)	17.11.2017	24.11.2017	Week % Change
AX24A	30,105	27,000	111.00	111.50	0.45%	
BV18A	4,523	4,500	100.00	100.51	0.51%	
BV19A	119,285	117,300	102.10	101.28	-0.80%	
BV19B	37,603	37,500	100.11	100.28	0.17%	
BV20A	9,950	9,700	102.57	102.58	0.01%	
BV30A	25,113	25,000	100.00	100.45	0.45%	
BV30B	14,575	15,000	97.50	97.00	-0.51%	
CB21A	1,890	1,800	104.00	104.99	0.95%	
CB27A	4,919	4,800	101.50	102.48	0.97%	
DF26A	6,390	6,000	106.51	106.50	-0.01%	
EF27A	285,310	277,000	102.99	103.00	0.01%	
GC21A	9,750	10,000	97.50	97.50	0.00%	
GP23A	47,454	46,400	102.98	102.98	0.00%	
HB18A	8,586	8,500	101.00	101.00	0.00%	
HM24A	15,924	15,100	104.01	104.02	0.01%	
HP25A	18,594	18,000	104.45	102.61	-1.76%	
IG24A	32,216	29,900	106.01	107.90	1.78%	
IH21A	12,631	12,000	106.25	105.26	-0.93%	
IH23A	42,011	40,000	105.00	105.06	0.06%	
IH25A	10,595	10,100	107.97	104.80	-2.94%	

Source: Malta Stock Exchange

Local Market Overview – Corporate Bonds

Security	Traded Value	Notional Value Traded (EUR)	17.11.2017	24.11.2017	Week % Change
IH26A	78,717	76,600	102.78	102.78	0.00%
IH26B	13,946	13,800	102.20	101.89	-0.30%
MB24A	57,206	55,000	104.25	104.01	-0.23%
MB27A	82,346	80,000	102.40	103.00	0.59%
MD26A	23,704	23,200	102.50	102.25	-0.24%
MF24A	34,082	32,000	106.51	106.51	0.00%
MI20A	12,540	12,000	103.50	104.50	0.97%
MI21A	20,665	20,200	102.40	102.30	-0.10%
MI22A	64,014	61,900	103.50	103.35	-0.14%
MM26A	8,360	8,000	104.50	104.50	0.00%
MS23A	18,631	17,400	107.11	107.00	-0.10%
MS26A	133,036	128,000	103.52	104.05	0.51%
PC26A	63,818	62,000	103.25	102.80	-0.44%
PG22A	19,356	18,000	106.10	107.00	0.85%
PT24A	62,715	60,900	101.02	102.40	1.37%
SD27A	62,100	60,000	103.71	103.50	-0.20%
SF27A	10,811	10,200	104.50	106.00	1.44%
ST27A	311,643	305,000	101.98	102.50	0.51%
TI27A	56,018	53,600	104.50	104.50	0.00%
VH24A	31,837	32,000	99.49	99.49	0.00%

Source: Malta Stock Exchange

Local Market Company Announcements

- The Board of Directors of **SD Finance Plc** approved the company's Unaudited Interim Financial Statements for the period ending 30th September 2017. Full report [here](#)
- **HSBC Bank Plc** issued its Interim Directors' Statement on Monday, covering the period 1st July – 15th November. Revenue and profit before tax declined compared to the same period of 2016, in line with the bank's expectations and commitment of prioritising risk management actions for 2017. Full report [here](#)
- **Klikk Finance Plc** announced that an Extraordinary General Meeting will be held on the 6th of December, whereby the company will be proposing an increase in the authorized shared capital from EUR 100,000 to EUR 500,000. Full report [here](#)
- **Mediterranean Bank Plc** announced a change in name (now **MeDirect Bank Plc**) and registered office. Also, the group released its Interim Financial Statements for the period ending 30th September. Overall, profit after tax stood at EUR 9.5mm, up from EUR 7.7mm for the same period of last year. Full report [here](#)
- **Medserv Plc** issued its Directors' Interim Report, highlighting that the group's earnings for the 2nd half of the financial year are lower than forecasted due to projects in both the group's segments (namely, Integrated Logistics Support Services and Oil Country Tubular Goods), which are expected to begin towards the end of the year. Full report [here](#)

Local Financial Events Calendar

Date	Event
28 th November	Hili Properties Plc Extraordinary Board Meeting for the purpose of considering a EUR 7.4mm share capital increase
6 th December	Klikk Finance Plc Extraordinary General Meeting for the purpose of an increase in the authorised share capital from EUR 100,000 to EUR 500,000
11 th December	Malta Post Plc Board meeting to approve Financial Statements for the year ended 30th September 2017

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