

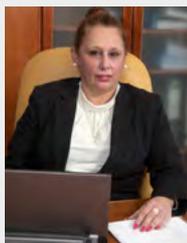


MALTA STOCK EXCHANGE plc

QUARTERLY NEWSLETTER

FOURTH QUARTER - 2016





Dear Friends,

I am honoured to be given the opportunity to address you all and also to thank you for your support during my career at the Exchange.

I take my leave of an organisation which has been a major part of my life for over 25 years. The Exchange I officially joined 26 years ago, is unrecognisable from what it is today. During these years the world has changed and the financial sector has developed at a speed that probably no one could foresee. Malta and its financial sector has participated in this growth; slowly but surely developing into a financial centre, seeing a proliferation of financial services and becoming an important pillar of our economy.

The Exchange has kept pace with such developments, be they legal, regulatory, compliance, operational or technological. It is impossible to talk about all the changes that have taken place within the Exchange, but looking back there are of course some highlights that remain foremost in my mind: the actual start of operations, the changeover from manual to electronic trading, the corporate restructuring, the move to the iconic premises in Valletta, implementation of T2S and the launch of Prospects, to name but a few. Changes and developments were never easy, but they were never less than interesting, sometimes frustrating and exhausting but always exciting!

I believe that the future of the Exchange will be no less so. The recently launched National Capital Markets Strategic Plan is a wide-ranging, visionary road map for the continued growth and development that will catapult the Exchange and its stakeholders into the next generation. Some may say that it is an over-ambitious plan to achieve in such a short-time. I can only say that the Exchange came into being in less than three years, from the set-up of the Advisory Committee to the launch of trading. This was due to the hard work, commitment and above all, a true belief in what we were doing by all those concerned. These attributes are all still here in plenty, not only among the fantastic team at the Exchange but among all its stakeholders and, that, I believe, is a sure recipe for success.

Once again, dear friends, heart-felt thanks for all your support, patience and commitment.

Regards

Eileen Muscat



MALTA STOCK EXCHANGE PROSPECTS

During the fourth quarter, the Prospects Committee reviewed and approved four new Corporate Advisors:

WH Partners

Calamatta Cuschieri Investment Services Ltd
DF Consultancy Services Ltd, and
Erremme Business Advisors Ltd

wh·partners
ADVOCATES & SOLICITORS


Calamatta Cuschieri
YOUR PARTNER IN FINANCIAL SERVICES

DF
ADVOCATES
DEGUARA FARRUGIA


ERREMME BUSINESS ADVISORS

At the end of the year, a total of ten (10) Corporate Advisors had been approved. A full list of Corporate Advisors and relevant contact details may be found on www.smeprospects.com.

In the Budget for 2017, the Minister for Finance announced very positive tax incentives to both companies and investors

who participate on the Prospects market. These new incentives include a Risk Incentive Scheme through which investors investing directly or through qualifying SME funds, in companies admitted to Prospects, will benefit from tax credits. Investors in Prospects companies will also benefit from reductions in capital gains.

The Prospects Committee is currently reviewing the first application, in respect of admission of a company to Prospects, while the Corporate Advisors continue to actively work on a number of prospective applications for admission of securities. The Prospects Committee is giving considerable input with regard to these prospective applications both with regard to the requirements as set out in the Rules, as well as with regard to the application process itself. The Prospects Committee continued to review the Rules to clarify issues that have been raised by Corporate Advisors and other practitioners. Shortly, updated "Guidance Notes for Corporate Advisors" previously issued in February 2016 will be re-issued, together with detailed Guidance Notes on corporate governance with particular reference to Prospects companies. In this respect, as part of the training being provided by the MSE Institute, the Exchange will hold a number of courses which Corporate Advisors would be expected to attend. The first course titled "Enabling a Corporate Governance Structure" will be held on March 17th.

ANNUAL CAPITAL MARKETS ROUNDTABLE

On 27 October 2016, the Exchange held the first Annual Capital Markets Roundtable which is intended to be an annual event where Industry experts may meet to discuss a broad range of issues that impact the capital market and the financial industry in general. The first meeting, which was attended by around 110 invitees, focused on the Capital Markets National Strategic Plan which was officially launched during the meeting.



The audience at the Annual Capital Markets Roundtable



The panel at the 2016 Capital Markets Roundtable

The Exchange was honoured with the presence of the Prime Minister, Dr Joseph Muscat and the Minister for Finance, Professor Edward Scicluna who both spoke about the importance of the Exchange within Malta's economy and Government's support to ensure that the organisation would continue to expand and develop. In



Mr. Alfred Sammut, Hon. Prof. Edward Scicluna, Hon. Dr. Joseph Muscat, Mr Joseph Portelli and Mr. Simon Zammit

particular, Professor Scicluna referred to a number of tax incentives included in the 2017 Budget which benefitted both investors and companies trading and seeking admission on the Exchange. He added that this was tangible proof of Government's commitment to the growth of the capital markets industry in Malta.

The Exchange Chairman, Mr Joseph Portelli, then presented the Capital Markets National Strategic Plan. He highlighted the Exchange's pivotal role in the development of the capital market for the benefit of all its stakeholders. Mr Portelli touched upon the 19 initiatives included in the strategic plan and the way forward with regard to their implementation. Mr Portelli's address was followed by panel discussions made up of industry experts, who discussed various aspects of the Strategic Plan and expressed their views on the way forward.

NATIONAL CAPITAL MARKETS STRATEGIC PLAN

During the first annual Capital Markets Roundtable held on 27 October 2016, the Chairman of the Exchange launched "The National Capital Markets Strategic Plan (NCMSP) – Taking Maltese Capital Markets to the Next Level" which highlighted a number of broad ranging, core, initiatives which are being undertaken by the Exchange as part of its mission to develop a liquid, efficient and fair securities market for the benefit of issuers and investors while at the same time adding value to all of its stakeholders. The Chairman stressed that while the Exchange would play a pivotal role in pushing the NCMSP forward, the Exchange would not be developing its strategy for growth in isolation but rather in an inclusive and collaborative manner with the industry as a whole.

The Plan's objectives is to maximise the potential of Malta's capital markets, to remain competitive, to attract international listing and enhance Malta's international profile as a dynamic and well-regulated financial centre. The NCMSP aims to achieve these objectives through, among other things, increasing capital market products, reducing systemic risk, increasing both domestic and international listings, improving operational effectiveness, increasing Malta's international profile as a financial centre, increasing market liquidity and very importantly, promoting financial education.

The 19 key initiatives include the development of new products such as ETFs and REITs, the development of Malta as a centre for Islamic Finance, revamped market making rules to help increasing market liquidity, the launch of the Malta Stock Exchange Institute and various other operational changes such as extending trading hours, creating new indices and increasing electronic services to investors through the new e-Portfolio portal.

The initiatives are supported by a number of tax incentives included in the Budget as well as by significant reduction in Exchange fees to encourage companies to come to the market.

Following the launch of the strategic plan, the Exchange opened a six week consultation period and invited stakeholders to submit their views and recommendations by mid-December. An updated version, taking into account the recommendations received will be presented on 12 January 2017. It is intended that the Strategic Plan will be implemented over the next two years and the initiatives included in the final plan will be executed by the end of 2018.

MALTA STOCK EXCHANGE INSTITUTE

The Malta Stock Exchange Institute (MSEI) was inaugurated during the Capital Markets Round Table held in October as one of the initiatives of the National Capital Markets Strategic Plan and is in line with the Exchange's stated objective to improve the level of financial literacy and reflects the importance that the Exchange believes should be given to financial education.

The MSEI is focused on enhancing financial education aimed at a broad-spectrum target audience, ranging from individual investors to industry practitioners. Given this broad audience, the courses on offer are classified at the beginner, intermediate and advanced levels to address the needs of different participants with varying levels of knowledge and financial literacy. During 2017, the MSEI will be organising over 35 short courses and seminars on a number of subjects, ranging from basic courses introducing participants to financial markets and investing principles, to more specialised subjects such as risk management, securitisation, trusts and corporate governance, to name a few. The courses have also been structured so that participants may enroll for one or more individual courses, or may opt to attain an Award in Securities Analysis and Portfolio Management by undertaking the appropriate courses.

Interested persons may view a full MSEI 2017 Prospectus and register for courses through the Exchange's website www.borzamalta.com.mt.

EXTERNAL ADVISORY BOARD

During the December meeting of the External Advisory Board, the Committee discussed the National Capital Markets Strategic Plan which was launched at the end of October. In particular, the Committee discussed the overall vision of the plan. The Chairman referred to work which was already being done on some of the initiatives included in the strategic plan such as the development of the ETF and REITS market and consideration of studying blockchain technology. The Committee also discussed the role of the newly set up Malta Stock Exchange Institute.

MALTA STOCK EXCHANGE ANNUAL AWARDS DINNER



Mr. Crocifisso Debono receiving the Employee of the Year award

to recognise outstanding performance by selected stakeholders and as well, by eminent Maltese in various fields.

A Lifetime Achievement Award was presented to the world-renowned Professor Edward Debono, a physician, psychologist and author of over 50 books whose concept “Lateral Thinking” has been espoused by both academia and the business world.

Mr Anthony Diacono, Chairman of Medserv plc, accepted an award on behalf of the Company which was voted as the MSE Company of the Year for 2016 in acknowledgement of the financial results it achieved as well as its corporate social responsibility initiatives and good corporate governance structure.

Mr Crocifisso Debono, a messenger driver with the Exchange was named as Employee of the Year for 2016 after achieving the highest number of votes from his colleagues, in acknowledgement of his exemplary service during his long career with the Exchange.

The Exchange was honoured to have Mr Patrick Young as its first keynote speaker during the Dinner. Mr Young, an entrepreneur and leading thinker about financial markets and investments, has written a number of books regarding financial markets. Mr Young is a much sought-after speaker and entertained the audience with an anecdotal speech regarding developments in the financial world particularly the changes wrought by the fintech revolution.

Ms Eileen V Muscat, previous CEO of the Exchange, and who was shortly retiring, addressed the audience, taking a personal look back at her 28-year involvement with the Exchange and taking the opportunity to thank all those present for their support.



Prof. Edward de Bono during his acceptance speech

On 29 November the Chairman and Board of Directors of the Exchange hosted the Annual Awards Dinner which was held at the Chamber of Commerce, Valletta. The dinner, under the patronage of Professor Edward Scicluna, Minister for Finance, was attended by over 115 representatives from regulatory bodies, members, listed companies and other financial services professionals.



Mr. Anthony Diacono; Chairman at Medserv receiving the Company of the Year award

In his welcome speech, the Chairman, Mr Joseph Portelli, spoke about the performance of the Exchange during the past year and its achievements over the last 25 years and also highlighted the future plans for the capital markets in Malta. The Minister of Finance, Professor Edward Scicluna, also addressed participants when he referred to Malta’s continuing positive economic performance, government’s support for those who are most in need as reflected in the Budget as well as Malta’s forthcoming EU Presidency in 2017.



Audience at the Annual Awards Dinner

While the Exchange has been hosting this event for several years, for the first time, the dinner was used as an opportunity

COMPANY OF THE YEAR:**Medserv Plc**

Founded in 1974 and with head offices in Malta, Medserv has become a trusted partner and provider of integrated oilfield support and services to IOCs and NOCs operating in and around the Mediterranean. Medserv provides integrated logistics support and services, including engineering services for plant and equipment used for the exploration and production of oil & gas from offshore fields. With the recent addition of METS, they have added premium threading, inspection and repair services for oil country tubular goods (OCTG) to their growing services portfolio.

Medserv operates dedicated bases in Malta, Cyprus, UAE, Oman and Iraq, and have a representative office in Libya. Drawing on their offshore experience, Medserv offers pop-up facilities specifically designed for small or one-well exploration projects. These facilities are designed to the highest industry safety and operational specs and with the highest regard to mitigating any impact on the local environment.

Medserv's principle areas of operation include:

- offshore oil & gas logistics
- engineering services
- toll manufacture of drilling fluids
- premium threading, inspection and repair services for OCTG

Core clients include eni, Saipem, BP, Shell, Sumitomo, LUKoil, Schlumberger, Halliburton and Baker Hughes. The management team at Medserv understand the importance of their client's operations. Their in-depth knowledge and unrivalled industry experience ensures that their services are delivered safely and cost effectively. Medserv operates to internationally recognised and certified standards and practices for ethical compliance, quality, health, safety, security and environmental management. These standards are applied to all Medserv's operating locations which ensures consistent delivery of excellence in their operations.

2ND ANNUAL INVESTOR EDUCATION CONFERENCE

Ms. Noelle Cauchi and Mr. Frank Cassar presenting on behalf of EY Malta



Introduction by the Chairman Mr. Joseph Portelli

The Exchange organised the 2nd Annual Investor Education Conference on 29 October at the Corinthia Palace Hotel, Attard in partnership with the MFSA and supported by HSBC, APS Bank, Calamatta Cuschieri and EY.

This year's conference, which again saw a strong attendance of around 150 participants, focused on the interpretation of financial statements. Other topics covered included an introduction to exchange traded funds and the most important aspects of a Prospectus. Participants also learnt how investors should manage and diversify their investment portfolio and how to avoid the most common mistakes that investors make.

During the conference, the Exchange also demonstrated its electronic investor portal, e-Portfolio and participants had the opportunity to register for this service.

CORPORATE SOCIAL RESPONSIBILITY

A four-day trip to London for staff and their families at the beginning of December was the highlight of the Social Events Committee's programme of events during the last quarter of the year. During the visit, participants had the opportunity to take in the major sites of this vibrant city as well see some shows in London's famous theatre district.

For the second consecutive year, the Exchange also hosted a number of children from the Tarxien Children's Home to join the children of Exchange staff during a Christmas Party, where the children were entertained with games, music and magic. Throughout the quarter the Social Events Committee also organised a number of 'Dress Down' Days.

At the end of the year, the Exchange also presented a donation to the Community Chest Fund as a small contribution towards the very worthwhile philanthropic work done by this organisation.

REFURBISHMENT



Redesigned reception area

Refurbishment works on the lobby area of the Exchange were completed during the fourth quarter. The reception area and the



Part of the works carried out on the front and rear façades of the Exchange

Customer Care Office were completely redesigned to create a very modern, open and welcoming space for visitors to the Exchange.

Another new addition was the ceremonial exchange bell which is rung on special events such as new admissions.

Refurbishment works were also concluded on the front façade of the Exchange, particularly on the columns supporting the portico which had deteriorated over the years. Work will commence on the back façade of the premises, facing the Upper Barrakka Gardens during the coming year.

WEBSITE

A number of new publications were made available on the Exchange’s website with the intention of enhancing information available to the market. The Exchange issued two new publications – “A Guide to the Malta Stock Exchange” which replaces the previous corporate brochure and includes information regarding all the services provided by the Exchange as well as “A Brief Guide to Admission to Prospects”. Also newly available on the Exchange’s website are “A Malta Capital Markets Guide” published by Chetcuti Cauchi Advocates; “Journey to the IPO” from KPMG and “The Maltese Capital Markets” issued by FinanceMalta as one of their series of industry guides.

BLOCKCHAIN COMMITTEE AND THINK TANK

The Exchange has created a Blockchain Committee composed of members of the Exchange’s Board of Directors as well as the Chairman and Chief Executive of the Exchange, together with external experts which will assist the Exchange to formulate a fintech strategy.

The Committee will be chaired by Dr Abdalla Kablan, an Exchange Director, who is an entrepreneur and academic specialising in machine intelligence, big data analytics, and computational finance. Dr Kablan is Malta’s pre-eminent technology and a globally recognised expert of blockchain technology. Blockchain is a method of recording and confirming transactions, where participants hold complete records of transactions through peer-to-peer verification, without the need for a central clearing house. Many exchanges worldwide are currently looking closely at this new technology and how it can benefit and improve their operations and bring down costs.

The Exchange will shortly unveil the Malta Stock Exchange Blockchain Consortium, a think tank which will bring together experts from among the Exchange’s stakeholders as well as from other organisations in Malta to share knowledge and eventually possibly joint venture on the design and implementation of blockchain applications.



BUDGET PROPOSALS FOR THE CAPITAL MARKETS

The Exchange welcomes with satisfaction the support given to the development of the capital markets in Malta in the Budget for 2017. These proposals will certainly have a very positive and beneficial effect on the local capital markets. These initiatives, as announced by the Minister of Finance, serve as the perfect backdrop to the National Capital Markets Strategic Plan which was launched in October and which are sure to make the Exchange a more attractive venue for both investors and companies seeking to participate in the market.

With effect from 1 January 2017, small investors who hold less than 0.5% of an issued share which is listed on the Exchange can claim a tax refund on dividends paid out from profit, in accordance with their personal income tax rate.

Investors will also benefit from a Risk Incentive Scheme which provides for tax credits of up to €250,000 annually when the investment is made in qualifying SMEs that have been admitted to Prospects, the SME market operated by the Exchange.

Companies seeking to list their equity on the market for the first time will benefit from a total exemption on capital gains tax. This important measure will no doubt encourage companies to list through the issue and sale of equity on the market, since the original shareholders of the company will pay no capital gains on any profits made on the sale of their equity at the time of admission. Companies admitted to Prospects will also benefit from the same incentive which is directly commensurate to the percentage of shares offered to the public.

Government has also introduced additional investing options such as Green and Pension-oriented Bonds.

EDUCATION INITIATIVE WITH EDUCATION PLUS



Mr. Joseph Portelli and Mr. Cliff Pace together with the ALP Paola students



Education Minister Hon. Mr. Evarist Bartolo handing certificates to the ALP Paola students

The Exchange and Education Plus collaborated on a project to improve financial literacy among students through the creation of a series of short educational TV features that use clear and practical messages to explain financial and investment terminology and principles. A total of seven features were produced by multimedia students of the Alternative Learning Programme in Paola and the Stock Exchange. The features are aimed at improving personal financial management awareness by focusing on a range of subjects from basic money management and budgeting to principles of investment and planning a career in financial services. The features may be viewed through the Education Plus website <http://educationplus.gov.mt/> as well as through the Exchange's social media sites.

This joint project brought together the skills, knowledge and experience from the Exchange and the creativity and media production skills from the ALP Paola students. The students involved acquired a Level 3 Certificate in Multimedia and ICT applications. This certificate will serve as a stepping stone to continue their media studies at MCAST.

MEMBERSHIP

New Members

During December, following authorisation by the Board, the Exchange was pleased to welcome a new Member, namely:

Michael Grech Financial Investment Services Ltd

At the end of the quarter, fifteen (15) firms appeared on the Exchange's list of Authorised Members.

Exante Ltd, which had been approved as a new Member earlier on in the year, changed its name to XNT Ltd.

REGULATORY

During October, the Exchange issued the Trading & Settlement Calendar for 2017 in accordance with the Bye-laws.

E-PORTFOLIO

During the 2nd Annual Investor Conference held on 29 October, the Exchange gave a brief demonstration of e-Portfolio, the electronic portal for investors which gives them direct access to their accounts held within the Exchange's Central Securities Depository. During the conference investors were also given the facility to register for this service. Through e-Portfolio, investors may receive Registration Advices, Statement of Holdings, receive a Portfolio Valuation and also receive a Prospectus electronically. The Exchange is continuing to expand this system, and new services will be added in due course.

Investors interested to learn more about e-Portfolio and how to register are encouraged to access the Exchange's website: www.borzamalta.com.mt or else go directly to: <https://e-portfolio.borzamalta.com.mt>.

VISITORS TO THE EXCHANGE

The Rt Hon Lord Mayor of London Dr Andrew Parmely, and Stuart Gill, OBE High Commissioner accompanied by a delegation from the British Bankers Association and the Chairman of Commonwealth Enterprise and Investment Council, Lord Marland of Odstock paid a courtesy visit to the Malta Stock Exchange. They met Mr Joseph Portelli, Chairman, Mr Simon Zammit, CEO and Mr Alfred Sammut, General Manager from the Exchange.



The Lord Mayor of London Dr. Andrew Parmely, Stuart Gill OBE High Commissioner accompanied by a delegation from the British Bankers Association and the Chairman of Commonwealth Enterprise and Investment Council, Lord Marland of Odstock, Mr. Simon Zammit, Mr. Joseph Portelli & Mr. Alfred Sammut



St. Edwards College Students.

Over 80 BSc Financial Services Management and BA (Hons) Business Enterprise students from MCAST attended



BSc Financial Services Management and BA (Hons) Business Enterprise Students from MCAST

a lecture at the Exchange during which Cliff Pace, Product and Business Development Manager, spoke about the role of the MSE in the economy and its operations. Moreover, 3rd, 4th and 5th form students from St Edwards College attended a presentation about the Exchange operations, and the importance of the capital market to the Maltese economy.

The Minister of Education, Hon. Evarist Bartolo attended the launch of the Financial Education Program, presented by the Malta Stock Exchange in collaboration with Education Plus & ALP Paola.



Mr Nigel Scerri & Ms Diane Rizzo for DIZZ Finance together with CEO; Mr Simon Zammit & Mr. Matthew Bonello from Financial Planning Services Limited

Representatives of both Dizz Finance plc and Mediterranean Maritime Hub Finance plc, Diane Izzo, Nigel Scerri, Ray Ciantar and Angelique Maggi respectively called on the Exchange on the occasion of the corporate bonds of these two entities being admitted to listing and trading. They took the opportunity to ring the bell whilst at the Exchange.



Mr. Daniel Fenech, Ms. Laura Zahra, Mr. Malcolm Bondin & Mr. Martin Zahra from MZ Investments

Director Martin Zahra, together with members of MZ Investment Services team, visited the Exchange to celebrate the firm's approval as Member of the Malta Stock Exchange. They also took the occasion to ring the bell during their visit.



The Exante Team

Exante also celebrated its new status as a Member of the Malta Stock Exchange through a commemorative event at the Exchange involving key executives and directors of Exante, the Chairman and Executives of the Exchange, staff and key Exante stakeholders. The Exante directors took the opportunity to ring the Exchange bell in line with the tradition to announce new key developments.



Mr. Francis Galea Salamone; GO Plc Company Secretary, Mr Nizar Bouguila; Chairman, Tunisia Telecom together with Mr Joseph Portelli & Mr Simon Zammit

Mr Nizar Bouguila, Chairman of Tunisia Telecom and GO plc, paid a courtesy visit to the Malta Stock Exchange where he met Mr Joseph Portelli, Chairman, and Mr Simon Zammit, CEO of the Exchange. Tunisia Telecom had recently become majority shareholders in GO plc.

OTHER EVENTS



EY Malta's Attractiveness Survey Panel

The Chairman of the Malta Stock Exchange, Mr Joseph Portelli, participated in an event entitled EY's Malta Attractiveness Survey and National Conference.



At the Meet Forum organised by the Portale Sardenia

Cliff Pace, Product and Business Development Manager, participated in a Meet Forum, organised by the Portale Sardenia in Olbia, Sardenia, during which he focused on economic issues in respect of sustainable Mediterranean tourism and the importance of having efficient and effective access to capital.

Introducing Dr. Elizabeth Calleja Mousù, Senior Manager Central Securities Depository



Dr Elizabeth Calleja Mousu read for a Degree in Law and a Masters in Financial Services in 1997 and 2000, respectively. She has been employed with the Malta Stock Exchange for the past 18 years, working in various areas within the Exchange.

In 2007, Dr Calleja Mousu was appointed Manager of Central Securities Depository, a unit that resulted from a merger of the Legal Office, the Central Securities Depository and the Clearing and Settlement offices.

Dr Calleja Mousu is a member of the Technical Committee of the Malta Stock Exchange plc, which played a large part in the implementation of projects such as the provision of Custody services to retail, institutional or sophisticated investors, the establishment of interoperable links with Clearstream Banking AG, and the implementation of Target 2 Securities. She is also a member of the Chamber of Advocates.

End of Year Report

Equities

The number of trades in equities decreased by 9% when comparing 2016 to the previous year, while the total value of such equities declined by almost 5%. The resulting average trade value was €7,708 (€7,365 in 2015). The market capitalization as at the end of 2016 was €4,211,934,805, an increase of 4% over the end of 2015.

The Share Index closed the year at 4,631, which was an increase of over 4% over the previous year. The MSE Sharia Equity Index closed at 1,003 and registering a marginal increase of 1.5% over the previous month.

Corporate Bonds

The number of trades that took place in 2016 improved by 14% over 2015 while their respective value decreased by 3%. The resulting average trade value was €9,438 (€11,114 in 2015). Clearly, on an annual basis, the number of trades has increased whilst the average value of the trade has decreased.

The market capitalization value as at the end of the 2016 was €1,487,785,711, a growth of almost 17% over the end of 2015.

Malta Government Stocks (MGS)

The number of trades decreased by 4% when compared to 2015, with the respective value also decreasing by 29%. The average trade value was €31,017 (€41,782 in 2015).

The market capitalization position of MGSs improved by almost 5% when compared to the end of the previous year, closing at €6,359,328,385.

Overall, a decline in the total number of trades (-3%) was registered; this was also reflected through a significant loss in the value of these trades (-25%). On the

other hand, total Market Capitalisation has continued to improve (+6.07%).

13 Corporate Bond issues (total value €399 million) took place during the year, an increased from 8 (total value €205 million) during the previous year. MGS issues in 2016 decreased from 10 to 9, but the value issued increased from €475 million to €598 million. T Bills issues increased vs the previous year in terms of numbers (from 88 up to 90) and also increased in value (€786 million to €969 million).

ADMISSION

During the fourth quarter of the year a number of new securities were admitted to the Exchange's Recognised Lists including five (5) new Corporate Bonds, which remain the vehicle of choice for both companies and investors. The Exchange was pleased to welcome two new Issuers to the market, namely Dizz Finance plc and Mediterranean Maritime Hub Finance plc both of which came to the market for the first time with corporate bond issues.

The following financial instruments were admitted to the Exchange's Recognised Lists during the quarter October – December 2016:

TREASURY BILLS

21 issues of Treasury Bills

MALTA GOVERNMENT STOCKS (MGS)

€131,000	1.5% MGS 2022 (IV) FI Oct 16 r
€159,102,100	2.1% MGS 2039 (I) r

CORPORATE BONDS

€8,000,000	5% Dizz Finance plc Unsecured Bonds 2023
€15,000,000	4.8% Mediterranean Maritime Hub Finance plc Unsecured Eur Bonds 2026
€40,000,000	4.25% Gap Group plc Secured Eur Bonds 2023
€65,000,000	3.75% Premier Capital plc Unsecured bonds 2026
€40,000,000	4% International Hotel Investments plc Unsecured Bonds 2026

EQUITIES

201,496	Santumas Shareholdings plc Ordinary Shares <i>Subsequent to a Bonus Issues</i>
2,216,394	Santumas Shareholdings plc Ordinary Shares <i>Subsequent to a share split</i>

YEAR 2016 - QUARTERLY REPORT

	Total Trades	% Change	Total Value €	% Change	Market Cap. €	% Change
EQUITIES						
Quarter 1	3,414	-	26,529,817	-	4,125,874,996	-
Quarter 2	2,411	-29.38	18,559,082	-30.04	4,111,468,849	-0.35
Quarter 3	1,897	-21.32	14,331,398	-22.78	4,033,553,880	-1.90
Quarter 4	2,370	24.93	18,376,013	28.22	4,211,934,805	4.42
BONDS						
Quarter 1	1,209	-	12,071,370	-	1,300,822,986	-
Quarter 2	1,375	13.73	13,755,552	13.95	1,333,477,328	2.51
Quarter 3	1,505	9.45	14,178,248	3.07	1,404,149,100	5.30
Quarter 4	2,041	35.61	17,849,716	25.90	1,487,785,711	5.96
MGS						
Quarter 1	2,806	-	103,922,232	-	6,290,304,854	-
Quarter 2	3,768	34.28	118,340,480	13.80	6,384,242,735	1.49
Quarter 3	5,118	35.83	160,785,854	35.87	6,488,095,852	1.63
Quarter 4	6,098	19.15	168,748,631	4.95	6,359,328,385	-1.98
T-BILLS						
Quarter 1	0	-	0	-	367,786,965	-
Quarter 2	0	-	0	-	313,435,741	-14.78
Quarter 3	0	-	0	-	255,009,038	-18.64
Quarter 4	0	-	0	-	254,324,445	-0.27
TOTAL						
Up to end December	34,012	-	687,448,393	-	48,721,595,670	-
	MSE Index	% Change	MSE Sharia Index	% Change	Total Market Capitalisation €	% Change
END Q1	4,563.154	-	1,125.927	-	12,017,789,801	-
END Q2	4,561.431	-0.04	1,058.490	-5.99	12,142,624,653	1.04
END Q3	4,466.623	-2.08	1,011.568	-4.43	12,180,807,870	0.31
END Q4	4,630,879	3.68	1,002,977	-0.85	12,313,373,346	1.09

Date: 10-03-2017**Malta Stock Exchange Art
Exhibition Opening**

Venue: Malta Stock Exchange

Date: 01-06-2017 at 15:00**MSE Seminar: Moving forward with ETF
and REIT listings**

Venue: Malta Stock Exchange

Date: 17-03-2017 at 15:00**Corporate Governance Workshop:
Enabling a corporate governance culture**

Venue: MITC, Mriehel

Date: 05-06-2017**Corporate Governance Workshop:
Identifying corporate governance abuse**

Venue: Malta Stock Exchange

UPCOMING MSE INSTITUTE COURSES

13, 14, 15, 16 March	Course 306	Financial Markets Compliance and Regulation
17 March	Course 601	Enabling a Corporate Governance Culture – More info on next page
20, 21, 21 March	Course 101	An Introduction to ETFs and Funds
23, 27, 28, 29 March	Course 103	An Introduction to Corporate Law
3,4,5,6 April	Course 102	Accounting for Business Owners
10,11,12,13 April	Course 309	Hedge Fund Strategies and Structures
17, 18, 19, 20, 21 April	Course 310	Fund Accounting and Administration
24, 25, 26 April	Course 311	Understanding Trusts
27 April, 2, 3, 4 May	Course 313	Understanding M&A and Corporate Restructuring
29, 30, 31 May	Course 312	Principles of Sound Corporate Governance
5, 8, 9, 10 May	Course 314	Understanding the Process of an Initial Public Offering
11, 12, 15 May	Course 315	An Introduction to Securitisation
9, 10, 17, 18, 22, 23, 24, 25 May	Course 411	Trading Foreign Exchange, Futures and Options



Course No 601

Enabling a Corporate Governance Culture

1500 till 1730 • March 17, 2017

This seminar will utilise a workshop style to allow participants to take part in a discussion focusing on how to enable and foster a corporate governance approach within an organisation. Topics such as human characteristics of leadership, authority, ethics, and morality will be discussed thoroughly.



David Fabri is a Senior Lecturer at the University of Malta and heads the Department of Commercial Law and co-ordinates the Masters in Financial Services programme. He holds the degrees of LL.D (in 1979) and a Ph.D. (Melit.) (in 2015). Between 1992 and 2015, he worked for the Malta Financial Services Authority (and its predecessors MIBA and MFSC) as Head of its Legal and International Affairs Unit and as Board Secretary. His main areas of interest are regulation generally, financial services legislation, consumer policy and protection, corporate law, whistle-blowing and business ethics, subjects on which he has lectured and written extensively since 1994, both locally and abroad. Since 1992, he has drafted and co-drafted various laws and regulations in these areas including the transposition of EU measures. He currently serves on the University Research Ethics Committee, the Administrative Review Tribunal and the Financial Services Tribunal.



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