

# SHAREHOLDER'S NEWS

Malta Association of Small Shareholders - MASS VO 0629

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## Editorjal

minn Tarcisio Barbara



Hbieb, qed nergħu niltaqgħu fi żmien qasir permezz tal-fuljett informattiv tagħna u li dejjem qed isir aktar popolari. Ninsabu fix-xahar ta' Marzu u issa l-istaġun tat-tħabbir tar-riżultati tal-maġġoranza tal-Kumpaniji llistjati fil-Borża ta' Malta, biex warajhom jibdew il-laqgħat generali annwali tagħhom. F'dan il-perjodu ahna nkunu mpenjati hafna b'dawn il-laqgħat, kif ukoll b'laqgħat ta' informazzjoni li nagħmlu mal-Kumpaniji. Dan huwa t-tieni fuljett ta' din is-sena, bħas-soltu b'tagħrif u artikli interessanti, ritratti, kif ukoll numru ta' avvizi.

F'din in-Newsletter, numru 50 għax-xahar ta' Marzu 2020, se ssibu l-Editorjal u l-Impenji tal-MASS miktuba minni. Imbagħad ser issibu żewġ artikli mill-Assistent Segretarju Internazzjonali tal-MASS, Anthony Said: 'Dangerous Moves for First-Time Investors' u 'How the Pros Decide When to Buy, Sell, or Hold Stock'. Wara għandkom Appell għal-Laqgħa Ġenerali Annwali 2020 mill-President tal-MASS, Alfred Portelli.

Fl-aħhar paġni ta' din in-Newsletter issibu: **Iċ-ċirkulari bl-Avviż tal-Laqgħa Ġenerali Annwali tal-MASS** li ser issir f'Marzu, **Avviż tal-Konferenza ta' April** u **l-Applikazzjoni għal Shubija fil-MASS**.

Jalla se ssibu din ir-rivista interessanti wkoll; min naħa tagħna nixtiequ nisimgħu l-kummenti tagħkom. Min għandu xi artiklu li nistgħu nippubblikawh, jekk jogħġbokom għadduhulna. Nirringrazzjakom hafna tal-appoġġ u nirringrazzja b'mod speċjali lill-isponsors kollha li tarawhom fil-lista **MASS Sponsors** fl-aħhar paġna. Inrodd ħajr ukoll f'isem il-MASS lill-kontributori kollha għal dan il-fuljett.

## Impenji tal-MASS

**Fl-4 ta' Frar, 2020**, delegazzjoni mill-Kumitat tal-MASS, attendejna għal-laqgħa mal-Uffiċċjal Eżekuttiv Ewlieni l-ġdid tal-Bank BOV, is-Sur Rick David Hunkin, flimkien mas-Segretarja tal-Bord, is-Sra Ruth Spiteri Longhurst, fil-Kwartieri generali tagħhom f'Santa Venera. Il-President tal-MASS għamel introduzzjoni fejn introduċejna ruħna ma' xulxin. Wara is-Sur Hunkin irrisponda numru ta' mistoqsijiet li għamilna u qal:



- Li l-Bank żdiedulu hafna l-ispejjeż fuq impjegati.
- Is-sistema tal-IT issa giet aġġornatha u qed taħdem.
- Ir-Regolaturi qed iżidu l-għassa fuq il-Banek u minbarra dawn, hemm Regolaturi oħra: l-ECB u l-MFSA kif ukoll l-FIAU.
- Il-Bank għamel progress sinifikanti fuq ir-riskju.
- Hu personali sejjer tajjeb hafna maċ-Ċermen, kif ukoll mal-Bord.
- Bħala *Correspondence Bank*, qegħdin jahdmu mal-ING Bank u se jestendu l-ftehim.

Indirizz

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Disinn tal-Logo u Stampat:  
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Kull ma jinkiteb f'dan il-fuljett mhux bilfors jirrifletti l-fehma tal-Membri tal-Kumitat tal-MASS.

- Fuq it-3 litigazzjonijiet: tal-Property Fund konkluzja; għaddejnin taħdidiet fuq is-Swedish; u fuq tad-Deuleimar għada għaddejja. Meta jkun hemm xi aħbarijiet rigward dawn se jirrapportaw mal-ewwel.

Għamilna mistoqsijiet oħra, fuq l-Industrija tal-Logħob, Crypto Currencies u l-Industrija tal-Kannabis Medicinali.

**Fil-11 ta' Frar, 2020**, saret il-laqgħa tal-Kumitat tal-MASS, fil-Borża ta' Malta, il-Belt Valletta. Wara l-qari tal-minuti tal-aħħar seduta u ddiskutejna xi punti minnhom, rajna l-korrispondenza. Imbagħad bdejna bl-aġenda formali u ddiskutejna dawn is-suġġetti:

- Konferenzi: Ta' April u kif nistgħu nattiraw iżjed żgħażaġh għalihom aktar 'il quddiem.
- Laqgħa ġenerali annwali: Inqraw uħud mir-rapporti bi preparazzjoni, kif ukoll xi preparamenti oħra inkluż ċirkulari u avvizi fin-Newsletter li kellha toħroġ f'Marzu. Iffissajna wkoll il-laqgħa tal-Kumitat li jmiss qabel il-laqgħa ġenerali annwali.
- Sponsors: Li jagħtuna donazzjoni kull sena biex ma niddependux mill-miżata tal-membri.
- Laqgħat ma' Kumpaniji: Qabel ma jsiru il-laqgħat ġenerali tagħhom.

**Fil-18 ta' Frar, 2020**, il-membri tal-Kumitat tal-MASS ġejna mistiedna flimkien mal-iStockbrokers, għat-thabbir tar-risultati tal-Bank HSBC. Din il-laqgħa saret fil-Kamra tal-Kummerċ, il-Belt Valletta. Fil-bidu, għamel introduzzjoni qasira iċ-Ċermen tal-Bank, is-Sur John Bonello. Imbagħad l-Uffiċjal Eżekuttiv Ewlieni tal-Bank, is-Sur Andrew C. Beane, beda d-diskors tiegħu billi qal li l-Bank mar tajjeb aktar minn dak li ppjanaw u minkejja li hađu haġna azzjonijiet li swew il-flus, xorta waħda se jqassmu dividend tajjeb ma' dak l-interim li diġà thallas. Kompla jgħid li l-klijenti qed jużaw iżjed il-mobajl biex jaċċessaw il-kontijiet tagħhom (mobile Banking). Spjega wkoll li l-fergħat li se jibqgħu miftuħa, se jkunu modernizzati, inkluż li jkollhom parkeġġ.



Is-Sra Emma Nuttall, l-Uffiċjal Finanzjarju Ewlieni, għamlet analiżi tal-figuri u qalet li qliegħ kull sehem huwa 5.6c. Fl-aħħar is-Sur Beane għamel ir-rimarki konklussivi.

Wara kien hemm il-mistoqsijiet mill-udjenza u ingħad: li qabel il-Bank johroġ dividend, irid l-approvazzjoni tar-Regolaturi.

*Dan li ġej huwa sintezi mir-rapport li ħareġ il-Bank waqt il-laqgħa u għall-midja.*

### HSBC jirrapporta prestazzjoni finanzjarja b'saħħitha.

#### It-twettiq tal-istrategija.

- Profitt aġġustat oghla fl-2019 aktar mill-aspettattivi tal-manigment, liema profitt kien xprunat minn attenzjoni kontinwa fuq tnaqqis tal-ispejjeż u l-kwalità tal-kreditu.
- Profitti oghla sostnuti minn tkabbir fid-dhul tas-servizzi bankarji personali (retail banking) u l-immanigġjar tal-karta tal-bilanċ.
- Żieda fis-self fis-servizzi bankarji kummerċjali (commercial banking), hekk kif ir-ritmu żdied fir-raba' kwart tas-sena.
- Żieda pożittiva u aktar veloċi fid-dhul milli fl-ispejjeż (Jaws) ta' 4.8%, grazzi għal inizjattivi li jnaqqsu l-ispejjeż.



- Il-profitt irrappurtat u r-redditu mill-ekwità huma aktar baxxi minhabba provvedimenti għar-ristrutturar ta' darba, li se jirrendi tfaddil 'il quddiem.
- Kisbiet kbar fl-implimentazzjoni tal-pjan strategiku tal-HSBC; tnedew soluzzjonijiet diġitali godda u mezzi tradizzjonali kienu mibdula, L-użu diġitali fi hdan is-servizzi bankarji personali żdied b'aktar minn 90% u l-akkwist ta' klijenti godda fil-qasam tas-servizzi bankarji personali żdied b'aktar minn 60%.
- Ġenerazzjoni ta' dividend b'saħħtu, grazzi għal standards għolja tal-HSBC kontra r-riskju, u relazzjoni ta' hlas ta' 30% sostnut permezz ta' bażi aġġustata li jirrappreżenta relazzjoni ta' hlas ta' sena shiħa ta' 44% għall-2019, fuq it-bażi rrapportata.



### Prestazzjoni finanzjarja

- Il-profitt aġġustat qabel it-taxxa għas-sena li ntemmet fil-31 ta' Diċembru 2019, li jeskludi l-effett ta' entrati notevoli, ta' €45.3m, li jirrappreżenta żieda ta' €8.8m, jew 24% meta mqabbel mas-sena preċedenti.
- Il-profitt irrappurtat qabel it-taxxa, li jinkludi l-impatt ta' provvedimenti ta' darba għar-ristrutturar, hu ta' €30.7m, tnaqqis ta' €7.8m jew 20%. L-investiment fir-ristrutturar se jwassal għal tfaddil sostenibbli 'l quddiem.
- Id-dividend finali gross irrakkomandat ta' 2.1 ċenteżmi għal kull sehem (1.4 ċenteżmi għal kull sehem wara t-taxxa).
- Ir-relazzjoni aġġustata tal-effiċjenza fl-ispejjeż ta' 70% meta mqabbla mat-73% għall-2018.
- Il-profitt irrappurtat li hu attribwibbli lill-azzjonisti kien ta' €20.2 miljun, li jirriżulta fi qliegħ għal kull sehem ta' 5.6 ċenteżmi, kontra 8.0 ċenteżmi fl-2018.
- Bażi kapitali b'saħħitha b'żieda fil-relazzjoni tal-kapital tal-ewwel saff (CET1) għal 16.4% minn 14.6%, kif kienet fi tmien 1-2018. Ir-relazzjoni tal-kapital totali kien ta' 19.0% meta mqabbel ma' 17.0% fil-31 ta' Diċembru 2018.
- Ir-redditu mill-ekwità ta' 4.3% għat-taxx il-xahar li ntemmu fil-31 ta' Diċembru 2019, jirrifletti l-investiment li sar fir-ristrutturar meta mqabbel ma' 6.1% għall-istess perjodu fl-2018. Meta jkun eskluzi entrati notevoli, ir-redditu mill-ekwità hu dak ta' 6.4%.
- Is-self nett lill-klijenti kien ta' €3,257m, żieda ta' €147m jew 5% meta mqabbla mal-31 ta' Diċembru 2018.
- Id-depożiti tal-klijenti żdiedu bi 2% għal €4,977m fil-31 ta' Diċembru 2019.
- Il-qagħda ta' likwidità b'saħħitha bir-relazzjoni bejn is-self u d-depożiti tkun f'it oġġla f'livell ta' 65%.

Fil-prezent, il-Bank għandu 10,000 Azzjonista.

**Fl-24 ta' Frar, 2020**, delegazzjoni mill-Kumitat tal-MASS, attendejna għal-laqgħa mal-Kumpanija ġdida llistjata fuq il-Borża ta' Malta, Harvest, fil-binja tagħhom bejn Hal Luqa u l-Marsa. Preżenti min naħa tal-Kumpanija kien hemm l-Uffiċċjal Eżekuttiv Ewlieni, Dr. Godwin Caruana u l-Kontrollur Finanzjarju, is-Sur Chris Fenech, flimkien mas-Segretarju tal-Kumpanija. Is-Sur Kevin Mizzi mill-Kumitat tal-MASS, għamel introduzzjoni u staqsa x'inhun-negozju tal-Kumpanija.



Dr. Caruana qal, li l-Kumpanija ila mwaqqfa aktar minn 3 snin u tikkonsisti f'3 sussidjarji: ptl, apco u apcopy. Kompla jgħid li huma se jkomplu jkabbru u importanti li jifirxu n-negozju tagħhom anke barra minn Malta u għal dan il-għan, huma diġà għandhom dan il-potenzjal. Qal ukoll li l-wegħda li se jqassmu 4% dividend se tibqa'. Spjega li bħalissa qed jagħlqu l-kontijiet u diġà harġet is-sejha għan-nomni tad-Diretturi għal-laqqha generali annwali, li ser issir fil-gimghat li ġejjin.



Min naħa tiegħi, għamilt emfasi biex is-Segretarju jikkonsulta mal-Forum tas-Segretarji, halli l-gurnata u l-hin tal-laqqha ma jkunx fil-hin tal-laqqha ta' xi Kumpanija oħra. Shaqt ukoll l-Kumpanija meta tagħmel xi żviluppi pożittivi jew xi żviluppi oħra, joħroġu l-informazzjoni fuq il-midja, halli s-suq jirreagixxi u jitla' l-prezz tal-ishma.

**Fil-25 ta' Frar, 2020**, saret il-konferenza ta' Frar, għal-ewwel darba fil-Lukanda Corinthia San Ġorġ, San Ġiljan. Il-laqqha kienet avzata li ser issir fil-Lukanda Radisson, San Ġiljan stess, imma minħabba raġunijiet li ma kellniex kontrol fuqhom, fl-aħħar hin kellna nbiddu l-post. Hawnhekk nixtieq niskuża ruħi għal dan l-inkonvenjent u nixtieq niringrazzja lill-Maniġment taż-żewġ Lukandi tal-IHI, li minnufih wara l-problema, għamlulna arrangamenti godda.



Qabel bdiet il-laqqha u jien bhas-soltu nagħti xi informazzjoni u avvizi mill-Assocjazzjoni, membru tagħna student tat-tieni sena 'Master in Accountancy' fl-Università ta' Malta, is-Sur Neville Saliba, għamel kelmtejn qosra fuq is-sessjonijiet ta' diskussjoni li għamel fil-Borża ta' Malta fuq dissertazzjoni li qed jagħmel dwar l-utilità ta' informazzjoni finanzjarja ppubblikata minn kumpaniji llistjati Maltin. Fil-proċess ta' din ir-riċerka kellu bżonn jisma' aktar opinjonijiet tal-Investituri Maltin, rigward din l-informazzjoni finanzjarja. Għaldaqstant talab numru ta' Investituri biex jagħmel sessjoni oħra.



Is-sugġett ta' din il-konferenza kien 'Is-Suq Lokali fis-sena 2019', mill-Kelliem is-Sur David Pace Ross mill-BOV. It-taħdita kienet interessanti ħafna u l-*power-point* kienet dettaljata immens. Is-Sur Pace Ross offra li jagħddilna din il-*power-point*, biex nibgħatuha bl-imejl lill-membri tal-MASS. L-attenzenza kienet tajba u saru numru ta' mistoqsijiet u interventi minn dawk preżenti.

**Fis-26 ta' Frar, 2020**, filgħodu, uħud mill-membri tal-Kumitat tal-MASS, attendejna għal-laqgħa ġenerali annwali tal-Kumpanija Maltapost, fil-Lukanda Westin, San Ġiljan. Fil-bidu s-Segretarju tal-Kumpanija, is-Sur Graham Fairclough, qara l-avviz tal-laqgħa u r-risoluzzjonijiet li kellhom jittieħdu.



Iċ-Ċermen, is-Sur Joseph Said, fl-introduzzjoni qara r-rapport tiegħu. Huwa qal li d-dividend li jagħtu huwa kostanti u se jkun 4c nett kull sehem. Spjega li huma se jwaqqfu Kumpanija li n-negozju tagħha se jkun fl-Assigurazzjoni tal-ħajja. Din se tkun iffirmata minn 4 Kumpaniji:

APS Bank, Gasan and Mamo Insurance, Atlas Insurance u l-Maltapost.

Saru numru ta' mistoqsijiet:

1. Rigward dan in-negozju ġdid tal-'Life Insurance', intqal li l-applikazzjoni qegħda għall-evalwazzjoni u l-approvazzjoni mill-MFSA.
2. Membru preżenti lmentat li l-Kumpanija qabel tinvesti f'negozju ta' ġeneru ieħor li ma għandux x'jaqsam mal-posta, il-maltapost kellha tikkonsulta mal-Azzjonisti. Fir-risposta intqal, li s-sena l'oħra l-Azzjonisti kienu digà infurmati b'dan in-negozju ġdid. Is-Sur Said qal, li huma għandhom 40 stabbiliment u allura hemm vantaġġi kbar biex jidhlu f'dan is-suq tal-Assigurazzjoni. Barraminhekk, il-Maltapost hija llistjatha fil-Borża ta' Malta u it-3 Kumpaniji l'oħra mhumiex u għaldaqstant hemm ċertu vantaġġi.
3. Saru lmenti fuq il-pustaġġ f'xi rħula u iċ-Ċermen qal, li minn għandu xi lmenti bħal dawn, jirrikorri bil-problemi tiegħu f' *customer care* apposta li kien hemm barra waqt il-laqgħa.

Fl-aħħar tal-laqgħa li ma kienetx twila, ġew approvati l-4 risoluzzjonijiet. Il-Kumpanija għandha 820 impjegat.

Għal-lum se nieqaf hawn u jekk Alla jrid nerġġhu niltaqgħu b'ħarġa oħra tan-Newsletter fil-ġimghat li ġejjin, filwaqt li nawguralkom is-saħħa.

***Ħafna informazzjoni f'dan l-artiklu u li ġbarna minn dawn il-laqgħat, kollha hi pubblika.***

***Il-Kumitat tal-MASS  
jixtieq jawgura  
l-Għid it-tajjeb  
lill-membri u  
lill-familjari tagħkom.***



# 6 Dangerous Moves for First-Time Investors

*Adopted by Assistant International Secretary Anthony Said Dip. Ed. ( admin. & Mangt.) Dip. Fin. Ser.*



There are some common mistakes that first-time investors have to be aware of before they try their hand picking stocks like renowned investors like Warren Buffett or shorting like George Soros.

## 1. Jumping in Head First.

The basics of investing are quite simple in theory – buy low and sell high. In practice, however, you have to know what “low” and “high” really mean.

What is “high” to the seller is considered “low” (enough) to the buyer in any transaction, so you can see how different conclusions can be drawn from the same information. Because of the relative nature of the market, it is important to differentiate before jumping in.

At the very least, know the basic metrics such as book value, dividend yield, price-earnings ratio (P/E) and so on. Understand how they are calculated, where their major weaknesses lie and where these metrics have generally been for a stock and its industry over time.

While you are learning, it’s always good to start out by using virtual money in a stock simulator. Most likely, you’ll find that the market is much more complex than a few ratios can express, but learning those and testing them on a demo account can help lead you to the next level of study. (Watching metrics like book value and P/E are crucial to value investing.)

## 2. Playing Penny Stocks and Fads.

At first glance, penny stocks seem like a great idea. With as little as \$100, you can get a lot more shares in a penny stock than a blue chip that might cost \$50 a share. And, you have a lot more upside if a penny stock goes up by a dollar.

Unfortunately, what penny stocks offer in position size and potential profitability has to measure against the volatility that they face. Penny stocks are penny stocks for a reason – they are poor quality companies that, more often than not, will not work out profitability. And, losing \$0.5 on a penny stock could mean a 100% loss.

Penny stocks are exceptionally vulnerable to manipulation and illiquidity. Getting solid information on penny stocks can also be difficult, making them a poor choice for an investor who is still learning.

Overall, remember to think about stocks in percentages and not whole dollar amounts. And you’d probably prefer to own a quality stock for a long time than trying to make a quick buck on a low-quality company (except for professionals, most of the returns on penny stocks can be drilled down to luck).

## 3. Going All in With One Investment.

Investing 100% of your capital in a specific investment is usually not a good move (even 100% in specific commodity futures, forex or bonds). Any company, even the best ones, can have issues and see their stocks decline dramatically.

You have a lot more upside by deciding to throw diversification to the wind, but you also have a lot more risk. Especially as a first-time investor, it’s good to buy at least a handful of stocks. This way, the lessons learned along the way are less costly but still valuable.

## 4. Leveraging Up.

Leveraging your money by using a margin means that you borrow money to buy more stock than you can afford. Using leverage magnifies both the gains *and* the losses on a given investment.

Take this example – you have \$100 and borrow \$50 to buy \$150 of stock. If the stock rises 10%, you make \$15, or a 15% return on your capital. But, if the stock declines 10%, you lose \$15, or a 15% loss. More importantly, if the stock goes up by 50%, you make a 75% return. But, if the stock declines 50%, you lose all the money you borrowed and more.

There are other forms of leverage besides borrowing money, such as options, which can have a limited downside or can be controlled by using specific market orders, as in forex. But these can be complex instruments that you should only use once you have a full grasp of the market.

Learning to control the amount of capital at risk comes with practice, and until an investor learns that control, leverage is best taken in small doses (if at all).

## 5. Investing Cash You Can't Bear to Lose.

Studies have shown that cash put into the market in bulk rather than incrementally has a better overall return, but this doesn't mean you should invest your whole nest egg at one time. Investing is a long-term business whether you are a buy-and-hold investor or a trader, and staying in business requires having cash on the sidelines for emergencies and opportunities. Sure, cash on the sidelines doesn't earn any returns, but having all your cash in the market is a risk that even professional investors won't take.

If you only have enough cash to invest or have an emergency cash reserve, then you're not in a position financially where investing makes sense. This kind of investing leads to making mistakes due to your behavioural biases, and there more than enough mistakes you can make in the market without having those in play.

## 6. Chasing News.

Whether it's trying to guess what will be the next "Apple," investing quickly in a "hot" stock tip or going all-in on a rumor of earth-shaking earnings, investing on news is a terrible move for first-time investors. Remember, you are competing with professional firms that not only get information the second it becomes available but also know how to properly analyze it quickly.

The best case scenario is that you get lucky and then keep doing it until your luck fails. The worst case scenario is that you get stuck jumping in late (or investing based on the wrong rumor) time and time again before you give up on investing.

Rather than following rumors, the ideal first investments are in companies you understand and have a personal experience dealing with. You wouldn't keep betting on black at a casino to make long-term profits, so you shouldn't do what is the investing equivalent.

## The Bottom Line.

Remember, when you are personally buying stocks in the market, you are competing against large mutual funds and institutional investors that not only do this full-time, they also do this with far more resources and in-depth information than the average person has. When you are starting to invest, it is best to start small and take the risks with money you are prepared to lose – the market can be unforgiving to rookie mistakes. As you become more adept at evaluating stocks, you can start making bigger investments.

It's good to invest on your own and learn more about the markets. But, invest in things you know, and always have a bias for quality stocks that you want to hold for long periods of time. It sounds attractive to try and make a quick buck, but like anything else, real money is made by slowly compounding your returns.

# How the Pros Decide When to Buy, Sell, or Hold Stock

*Adopted by Assistant International Secretary Anthony Said Dip. Ed. ( admin. & Mangt.) Dip. Fin. Ser.*



A broker often needs to make a snap decision to buy, sell, or hold a stock. There's no time to consult stock analysts, interview management, or read lengthy research reports. But a quick glance at some key information can lead to a good decision made under pressure.

Say a company just released a press release about its quarterly report. Skip over the filler and look for some of these key facts. Increasing Sales.

Check to see if the company is growing its sales and, if so, whether the sales growth is sustainable or related to a one-time event. In addition to checking the sales numbers, you'll have to skim through the entire press release in order to see what management said about the quarter. The numbers plus the comments can tell you if the company experienced growth or just got a windfall.

In general, smaller companies, those in the \$100 million to \$1 billion sales range, should grow more than 10% annually. Larger companies should be growing by at least 3% a year to be of interest.

Lastly, compare a company's growth in sales not only from last year but from the last quarter. If quarterly sales showed an upward trend, it's usually another good sign.

## Improving Margins

A company's margins generally improve or deteriorate depending on how well it is managed. If the sales line is going up but costs are going up faster, something is going on there.

It's not necessarily bad news. It could be that the company is entering into a new business, launching a new product, or expanding its footprint. Amazon, for example, infuriated investors for years by investing heavily in warehouses coast-to-coast. That infrastructure spending finally started paying off.

On the other hand, it could mean that the company is just doing a poor job of managing its expenses. Management's discussion of the quarterly results will help you determine which it is.

## The Guidance

Many companies offer Wall Street some sort of guidance on future earnings, and it's nearly always important. How "The Street" reacts to the news is equally important.

That is, the company's guidance for the next quarter may be better or worse than Wall Street analysts are expecting. And those expectations will move the stock price up or down, at least short-term.

Delving a bit deeper into the psychology behind earnings guidance, if a company raises its guidance for the current quarter but downplays expectations beyond that, its stock will probably sell-off. If a company reduces its estimates for the current quarter but raises its full-year estimate the stock will probably take off.

As a rule of thumb, keep your eye on the long term. Most of the time, Wall Street will overlook a short-term stumble if it is convinced that there is an upwards catalyst on the horizon.

## Stock Buyback Programs

When a company uses its cash to buy back its own stock, it's usually a good sign that management believes the stock is undervalued. Repurchase programs will probably be mentioned in the company press release.

That said, management may have other motives. It may want to reduce the total share count in the public domain in order to improve financial ratios or boost earnings, thus making the company more attractive to the analyst community. It may be a public relations ploy to get investors to think the stock is worth more.

Share repurchase programs should be a sign that better times are ahead for the company.

In general, you want to see the total number of outstanding shares staying the same or falling, perhaps as a result of a repurchase program. That means future earnings are spread across fewer shares, making earnings per share higher. As shares outstanding increases, earnings are divided among a larger pool of investors and become diluted, decreasing your potential for profit.

## New Products

It's virtually impossible to predict whether a new product will be a winner or not. But it's a big mistake to overlook the stocks of the companies that make them.

New products often garner the most attention from consumers and investors. This often helps move the share price higher in the near term. And, the company has probably spent a huge amount of money on R&D and promotions as it positions itself to take in a whole lot of money.

Consider, for example, Apple's release of the iPod in 2001. Initially, some investors and analysts were skeptical that the company could deliver meaningful revenues from the device. As it turned out, that device propelled Apple's growth throughout the decade.

Of course, new products don't always turn out to be cash cows for the companies that produce them, but if you get in on a good one early, there's a dramatic potential for profit.

## The Subtleties of Language

As you read the press release, consider your impression of what occurred in the quarter. Management might have talked up the company's many "opportunities" and relished its past growth. Or, it might have outlined the many "challenges" facing the company. Management might identify potential catalysts for the business, such as new products or acquisition candidates. In any case, that language can be as important as the earnings guidance numbers.

The language used in these press releases is very deliberate. It is reviewed by many eyes in the public relations and legal departments. An upbeat report is an especially good sign, while a report containing muted language should be viewed with suspicion.

Warning. Reports that are overly upbeat should be viewed with caution as well. If a company fails to deliver what it has previously promised or falls short of its future expectations, the stock is likely to be clobbered no matter what management says.

## Technical Indicators

Finally, look at the stock chart for the last year and last five years. Are there seasonal variations in the stock price? You may find it routinely trades higher or lower in certain seasons.

Determine the trend this stock is trading in: Is the stock trading above or below its 50-day and 200-day moving averages? Is it a thinly traded stock, or does it trade millions of shares per day? Has the volume recently increased or decreased? A decreasing volume could be a sign of less interest in the shares, which could cause a decline in the share price. Increases are generally favourable if the underlying fundamentals are solid, meaning the company has solid growth opportunities and is well-capitalized.

## The 10,000-Foot View

Beyond the press release, consider the macro trends that might impact the stock. Rising interest rates, higher taxes, or consumer behaviour may have an impact on the stock. Other external factors, such as an industry-wide downturn, might affect the company. These considerations can be as important as the fundamentals and technical indicators.

For example, consider Continental Airlines in 2006. The company was in fairly good shape, but higher fuel costs and a number of bankruptcies within the airline industry seemed to be holding the stock back. Continental expected to grow its earnings in excess of 50% over the next year, but the sector outlook seemed dismal. Continental merged with United Airlines in 2010.

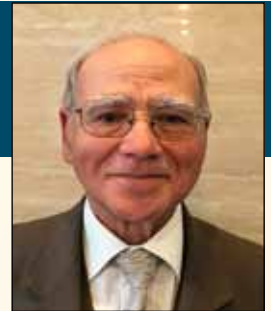
Taking a 10,000-foot view of a company allows you to consider the external factors that could keep stock from thriving.

## The Bottom Line

By necessity, investors and their brokers often need to analyze companies on the fly and make snap decisions to buy, sell, or hold. Zeroing in on the key information helps them avoid a rash decision. Of course, to trade or invest you would need a broker. If you don't already have one and are considering which broker to choose, do some research so that you can find a broker to fit your needs.

## Appell għal-Laqqgħa Ġenerali Annwali 2020

*minn Alfred Portelli - President MASS*



Għeżież Membri tagħna, kif tafu, qegħda toqrob il-Laqqgħa Ġenerali Annwali tas-sena 2020, li mistennija ssir f'Marzu li ġej. Mela, tajjeb li nkomplu nfakkru fil-hidma fejjieda li qegħda ssir mill-Assoċjazzjoni Maltija għall-Azzjonisti ż-Żgħar (Malta Association of Small Shareholders). Nixtieq nibda billi, fost oħrajn, inrodd ħajr lill-Borża ta' Malta, speċjalment lic-Ċermen, is-Sur Joseph Portelli, li f'Novembru li għadda, għoġobha torganizza il-konferenza dwar il-Litteriżmu Finanzjarju u nħoss li għandi fil-qosor ngħarrafkom illi l-għan li għalih twaqqfet din l-Assoċjazzjoni (li hija NGO reġistrata), huwa proprju dan, iġifieri li tippromwovi l-Litteriżmu Finanzjarju kif jixhdu l-hidma fejjieda u s-sehem li qegħda tagħti rigward dan il-qasam.

Għalhekk, ninsabu sodisfatti li saret din il-konferenza u li l-Borża ta' Malta qegħda torganizza għadd ta' korsijiet f'dan il-qasam. Fiha, semmejna lehinna bir-rimarki tagħna u bit-tagħrif li tajna, illi Azzjonist jista' jitlob lid-Dipartiment tat-Taxxi Interni jibagħtlu *breakdown* dwar it-taxxa fuq id-dividendi, biex ikun ċert li bbenefika, f'kaz li din tkun tghodd għalih peress li bqajna nithabtu għaliha.

F'dawn l-aħħar 8 snin, l-Assoċjazzjoni organizzat aktar minn 60 Taħdita/*Lectures* kollha rigward il-qasam tal-finanzi, fosthom edukazzjoni għall-Investitur (retail investor), speċjalment iż-żgħir, li jithajjar jinvesti, per eżempju fi stokks, *bonds*, ishma u *funds*. Ġieli organizzajna sa anke żewġ taħdidiet f'xahar. Għamilna ħafna laqgħat ma' Kumpaniji fejn insaqsu fuq kif inhuma sejrjn, kif ukoll nikkritikaw xi miżuri meta jkun hemm bżonn. Hdimna wkoll biex ġibna benefiċċji għall-Azzjonisti. Għamilna kwestjonarju fuq l-Investituri. Ghinna diversi studenti li jkunu qed jagħmlu studju jew tezi fl-Università. Fuq kollox dejjem konna preżenti f'kull laqgħa ġenerali annwali jew straordinarja, li saru mill-Kumpaniji llistjati fuq il-Borża ta' Malta.

**Għalhekk, waqt li nfakkarkom fl-appell li sar mill-Ministru tal-Finanzi, Profs Edward Scicluna, fl-okkazzjoni tal-Konferenza tal-MSE, lill-investituri biex jissieħbu fil-MASS, biex ikollna saħħa akbar f'lehinna. Għaldaqstant nappellalkom sabiex tattendu għal-LĠA tagħna, għax bikom nagħmlu aktar qalb li nkomplu naħdmu għalikom. Nappellalkom ukoll, biex min jista' jinnomina ruħu għall-Kumitat il-ġdid, halli jkollna Kumitat aktar b'saħħtu b'idejat ġodda. Inroddilkom ħajr.**

## Avviż għall-Laqqgħa Ġenerali Annwali (LĠA) 2020

Malta Association of Small Shareholders VO 0629.

C/O Malta Stock Exchange Plc. Garrison Chapel, Castille Place, Valletta VLT 1063.

**E-mail:** info@mass.org.mt **Website:** www.mass.org.mt **Mob:** 99494878 **Tel:** 21682269.

Il-LĠA se' ssir nhar it-Tlieta, 17 ta' Marzu, fis-6.00PM, fil-Borża ta' Malta, il-Belt Valletta.

### Agenda

- I. Hatra ta' Ċerpersin
- II. Minuti tal-Laqqgħa Ġenerali Annwali 2019
- III. Diskors tal-President
- IV. Rapport Amministrattiv
- V. Rapport Finanzjarju
- VI. Emendi għall-Istatut (jekk ikun hemm)
- VII. Mozzjonijiet (jekk ikun hemm)
- VIII. Hatra ta' Revizuri
- IX. Hatra ta' Tellers (jekk meħtieġ)
- X. Elezzjoni tal-Kumitat (jekk meħtieġ)



Il-membri huma mitluba jattendu.

L-applikazzjoni tal-kandidati għall-Elezzjoni tal-Kumitat, li tinstab hawn taħt, trid tasal għand il-Kumitat sal-4:00PM ta' nhar il-Ħamis 12 ta' Marzu 2020.

*Tarcisio Barbara - PRO*

*Data: 28 ta' Frar 2020*

## Nominazzjoni għall-Elezzjoni għall-Membri tal-Kumitat.

Nominazzjoni għall-Elezzjoni għall-Membri fil-Kumitat tal-Malta Association of Small Shareholders (MASS) VO 0629 Laqqgħa Ġenerali Annwali – it-Tlieta, 17 ta' Marzu 2020.

Il-Kandidat u min jipproponieh, iridu jkunu membri li ħallsu t-tessera għas-Sena 2019 (IKTEB B'ITTRI KBAR)

Nipproponu lil: \_\_\_\_\_

Propost minn: \_\_\_\_\_

Firma \_\_\_\_\_ I.D. No \_\_\_\_\_

Sekondat minn: \_\_\_\_\_

Firma \_\_\_\_\_ I.D. No. \_\_\_\_\_

Jiena, (KANDIDAT) \_\_\_\_\_ naċċetta

li nkun kandidat għall-Elezzjoni tal-Kumitat 2020 u li nimxi skont l-Istatut tal-MASS.

Firma \_\_\_\_\_ I.D.No \_\_\_\_\_ Data. \_\_\_\_\_

L-applikazzjoni tista' tibgħatha bil-posta, jew skanjata u mibgħuta b'imejl lil: info@mass.org.mt.

Applikazzjonijiet jintlaqgħu għand il-Kumitat sal-4:00PM ta' nhar il-Ħamis 12 ta' Marzu 2020.

### Għall-użu tal-Kumitat:

Il-Formola tal-applikazzjoni waslet għand is-Segretarju nhar \_\_\_\_\_

Il-persuni iffirmati hawn fuq huma tassew membri bit-tessera mhallsa u għalhekk il-kandidat imsemmi jista' jikkontesta l-elezzjoni għall-Kumitat 2020.

**Dan l-avviż għandu jittiehed bhala ċirkulari lill-membri għal-LĠA tal-MASS.**

**AVVIŻ LAQGHA ĠENERALI ANNWALI  
MARZU 2020**

**Il-membri huwa mistiedna għall-Laqgħa Ġenerali Annwali tal-MASS bil-Malti.**

**Jingħata rapport tax-xogħol li sar mill-Assocjazzjoni fl-2019. Jingħata wkoll rendikont finanzjarju għall-istess sena u wara jinħatar kumitat ġdid għas-sena 2020/21**

**Post:** Il-Borża ta' Malta, il-Belt Valletta.

**Data:** It-Tlieta 17 ta' Marzu 2020.

**Ħin:** Il-laqgħa tibda fis-6:00pm.

**AVVIŻ KONFERENZA APRIL2020**

**Il-Pubbliku huwa mistieden għall-Konferenza bil-Malti**

**Kelliem:** Is-Sur Patrick Spiteri

**Suġġett:** 'Holding Financial Investment in Trusts'

Ikun hemm ħin għall-mistoqsijiet.

**Post:** Il-Borża ta' Malta, il-Belt Valletta.

**Data:** It-Tlieta 21 ta' April, 2020

**Ħin:** Dhul fis-6:00pm. Tahdita mis-6:30 sat-8:00pm.

Dhul mingħajr hlas.

**MEMBERSHIP APPLICATION FORM (IKTEB B'ITTRI KBAR)**



Nixtieq insir membru / ingedded is-shubija tal-Malta Association of Small Shareholders.

Isem u kunjom: \_\_\_\_\_

Indirizz: \_\_\_\_\_

Kodiċi Postali: \_\_\_\_\_ ID: \_\_\_\_\_

Tel \_\_\_\_\_ Mowbajl \_\_\_\_\_ Imejl: \_\_\_\_\_

Qed nibgħat ċekk ta' €\_\_\_\_\_, f'isem il-Malta Association of Small Shareholders.

MASS C/O Malta Stock Exchange Plc. Garrison Chapel, Castille Place, Valletta VLT 1063

**Jien niddikjara li nimxi skont l-Istatut u l-aġġornamenti tiegħu.**

**Statut jinsab fuq il-Website tal-MASS**

FIRMA: \_\_\_\_\_ DATA: \_\_\_\_\_

**Il-ħlas għas-shubija:  
Sentejn – EUR 10  
Hames snin – EUR 20  
50% skont lill-istudenti**

*L-INFORMAZZJONI KOLLHA TINŻAMM SKONT ID-'DATA PROTECTION ACT'.*

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