



FINCO TREASURY MANAGEMENT LIMITED

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A Limited Liability Company registered in Malta on 9th November 1994, Registration No. C17017

MALTA GOVERNMENT STOCK ISSUE

3.40% MGS – 24th September 2027 (VI) at a price of 101.25 Yield to Maturity 3.124%
4.00% MGS – 30th March 2032 (VII) at a price of 100.00 Yield to Maturity 4.00%

Salient Details & Time Table:

Issuer:	Government of Malta
Country Rating:	Moody's: A2, S&P: A-, Fitch: A+
Amount:	€200,000,000
Over-allotment option:	€100,000,000
Currency:	Euro
Offer Prices and Yield to Maturity:	<ul style="list-style-type: none">• 3.40% for the MGS 2027 at a price of 101.25 Yield 3.124%• 4.00% for the MGS 2032 at a price of 100.00 Yield 4.00%
Minimum Application:	<ul style="list-style-type: none">• Euro 100 nominal, with lots of Euro 100 thereafter
Maximum Application:	<ul style="list-style-type: none">• €100,000 for single and/or joint applicants (in aggregate)
Interest Payment Dates:	<ul style="list-style-type: none">• 3.40% MGS 2027: half yearly in arrears on 24th March and 24th September• 4.00% MGS 2032: half yearly in arrears on 30th March and 30th September.
Offer Opens:	<ul style="list-style-type: none">• Monday 10th October 2022 – 8.30am
Offer closes:	<ul style="list-style-type: none">• Wednesday 12th October 2022 – 2.30 pm

Application Procedures

Any clients interested in applying for these stocks are kindly invited to contact us immediately.
Offer closes on Wednesday 12th October at 2.30pm

Availability of Prospectus

The Prospectus issued by The Treasury Department is available at our offices for whoever is interested. In this respect, anyone interested may call at our offices to collect a copy.



Our Comments

Due to inflationary pressures, Interest rates are increasing at a rapid pace as can be seen from these Malta Government Stock new bond issues.

There are two issues:

The first issue is 5-year bond at a yield of 3.124%.

The current 5-year Government bond is trading is at a yield of 2.98% (as per updated CBM prices)

The second issue is a 10-year bond at a yield of 4.00%.

The current 10-year Government bond is trading at yield of 3.83% (as per updated CBM prices)

As can be seem the issues have been generously priced and may have room to appreciate once trading in the market. However, one must be aware that should inflation not be contained in the immediate and medium- term future, interest rates may have to rise higher, which may result in Government bond prices to decline.

Applicants for these bonds should be those looking for a secure investment with a decent return and not necessarily looking to sell before maturity.

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