Online Investing



Customer front and centre

Calamatta Cuschieri Group have pursued an aggressive growth strategy over the past two decades while diversifying and entering new segments of the financial services market. Co-CEO **Alan Cuschieri** traces the journey that will lead to an IPO within the next five years.

Alan Cuschieri
Calamatta Cuschieri Group
Co-CEO

Calamatta Cuschieri's pedigree dates back to 1971 – over half a century – predating the Malta Stock Exchange. It was a founder member of the MSE in 1992, yet for over two decades before that it was already offering investment services to the public.

Alan Cuschieri, co-CEO, said that back in the days, the company used a blackboard system on which it listed international equity and bond prices for people to see in Valletta – they were then based in South Street. They later had a fax distribution list for investment prices that was sent to clients, which they in turn received from London daily.

What started out as an office with 20 people has become a multi-faceted financial provider led by the second-generation members of the firm, now based in Birkirkara, and employing 200 people. Still, Mr Cuschieri insisted, they found a very strong foundation and solid reputation that was built by the first generation.

The diversification included a consistent investment in its online offering for investment services that received an eBusiness Award in 2011, and more recently a digital Financial Institution called Moneybase that received another eBusiness Award in 2022 for Best App and Best Financial

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Institution at the Malta Business Awards.

They also launched their own funds, a wealth management company as well as a fund administration company. This is all backed by an ISO-certified Customer Care team that provides support seven days a week.

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"Today, as Calamatta Cuschieri Group, we are able to offer the full spectrum of financial planning, including pensions and life insurance, as well as complete range of payment services including global payments and multi-currency cards."

Being able to provide clients with a comprehensive and holistic financial plan is important. Still, Mr Cuschieri stressed, "we were never a sales-oriented company. Deeply embedded in our culture is the core value of providing honest financial advice and to deliver this through experienced investment professionals in the field. This is how we have gained our clients' trust and a principle which will forever guide us."

Turning to the local markets, he said those who wish to invest had a wide choice of instruments, be it local IPOs, equities, bonds or even Treasury Bills. Calamatta Cuschieri has been the sponsoring broker of many new issues, including Malta's first green bond. Clients can either trade these instruments through their financial advisor or through the Moneybase platform, thanks to the direct connection the firm has with the MSE, which provides investors with a live view of the order book in real time, allowing them to view prices at which holders of these instruments are prepared to buy and sell.

Investors can now deposit directly to their iban. "So, it's extremely convenient and, in the current economic climate, markets are providing good interest opportunities on fixed income assets," he added.

With Malta Government Stocks and Treasury Bills, there is always a liquid market which the Central Bank provides. "On new capital market issues, today we see a growing number of digital orders on our platform, which is encouraging.





"Although we provide access to 40 international markets, we always strive to cultivate activity on the MSE, which of course we want to see to continue to flourish. What I believe should happen on the MSE is a complete shift to nominee trading, like practically every other stock exchange in the world. This would facilitate much lower costs for investors, and instant processing whilst also reducing costs for the stock exchange itself allowing it to be more efficient."

"It would also make a lot of sense for the exchange to introduce new fee mechanisms that reward investors for adding liquidity to the market and which also allows brokers to charge retail investors far reduced minimum fees especially on smaller trades."

When asked about the pandemic, he said the firm saw a spike in online investing. It wasn't just a shift in channel; it was also a massive increase in interest in investing.

"People were at home and had more time to look into their investments and take opportunities," he observed.

The next challenge for the firm is to scale internationally into new markets, following which the company plans to list on the Malta Stock Exchange within the next three to five years. "We have a good story to tell, many of the required governance structures are already in place and we are continuing to build upon our already detailed financial reporting and investor relations. In the coming years we will continue to strengthen the company and continue to add value until such time that we tick all the boxes for what we believe will be a very attractive offering" he said.

