

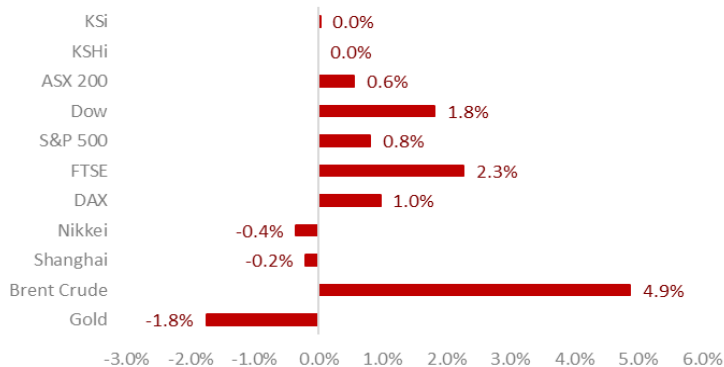
Prices as at POM Close on Friday	05-Mar-21	% change for the:		
		Week	Month	YTD
<b>Domestic</b>				
KSI Index	6,105.19	0.0%	0.6%	0.9%
KSI Home Index	13,312.29	0.0%	0.0%	0.0%
PNGX shares (K/share) Arbitrage PNGX				
Bank South Pacific	12.00	0.0%	0.0%	0.0%
Credit Corporation	1.70	0.0%	0.0%	0.0%
City Pharmacy	0.50	0.0%	0.0%	0.0%
Kina Asset Management Limited	0.90	0.0%	0.0%	0.0%
Kina Securities Limited	2.84 3.25	1.6%	0.0%	8.3%
Oil Search Limited	11.98 10.02	0.1%	3.2%	5.3%
Highlands Pacific Limited	0.28 0.30	0.0%	0.0%	0.0%
Newcrest Mining Limited	62.96 81.50	0.0%	0.0%	0.0%
<b>Australia</b>				
S&P/ASX 200	6,710.85	0.6%	-1.9%	1.9%
S&P/ASX 50	6,511.10	0.9%	-1.0%	3.2%
<b>USA*</b>				
DJIA	31,496.30	1.8%	1.1%	2.9%
S&P 500	3,841.94	0.8%	-1.2%	2.3%
NASDAQ	12,920.15	-2.1%	-6.8%	0.2%
<b>Europe*</b>				
FTSE	6,630.52	2.3%	2.2%	2.6%
DAX	13,920.69	1.0%	-1.0%	1.5%
CAC 40	5,782.65	1.4%	2.2%	4.2%
<b>Asia*</b>				
Nikkei	28,864.32	-0.4%	0.3%	5.2%
Hang Seng	29,098.29	0.4%	-0.7%	6.9%
Shanghai	3,501.99	-0.2%	0.2%	0.8%
<b>Commodities*</b>				
Light Crude WTI Futures	66.09	7.5%	16.3%	36.2%
Brent Crude	69.36	4.9%	16.9%	33.9%
Gold	1,698.50	-1.8%	-6.3%	-10.4%
<b>Currencies*</b>				
PGK/USD	0.2850	0.0%	0.0%	0.0%
PGK/AUD	0.3691	1.5%	-1.5%	-0.2%
AUD/USD	0.7722	-1.4%	1.6%	0.2%
USD/JPY	108.12	1.8%	2.5%	4.8%
EUR/USD	1.1959	-1.6%	0.0%	-2.7%
GBP/USD	1.3885	-0.5%	1.5%	1.9%
<b>Ten year Government Bond yields*</b>				
United States	1.57%	0.16%	0.40%	0.65%
Australia	1.83%	-0.08%	0.64%	0.86%
New Zealand	1.93%	0.03%	0.56%	0.94%
Japan	0.10%	-0.07%	0.04%	0.08%
PNG	9.86%	0.00%	0.00%	0.00%

\* Reported as at POM close Friday; Hence North American and European markets Thursday night close.

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### Weekly Movement (%)



Sources: Bloomberg, Reuters, Post Courier, The National, Business Advantage PNG, PNGX Announcements

### Domestic

- Minister for Agriculture and Livestock, John Simon told farmers in East New Britain to produce quality cocoa. MP Simon visited the province to inspect a number of projects under his department. He told the farmers that for the price support programme to continue farmers must maintain the quality of cocoa.
- Commissioner General for the Internal Revenue Commission (IRC) Sam Koim, announced that IRC will soon de-group major businesses that have branches operating nationwide thus requiring them to pay tax directly to the governments of the provinces where they operate. IRC is currently undergoing a tax payer mapping exercise that will aid in the de-grouping exercise, Mr Koim noted that this will go a long way in providing incentives to the provincial governments in collecting Goods and Services Tax (GST).
- According to World Bank PNG, the Covid-19 pandemic impacted Papua New Guinea's external sector through dropping export earnings, however import density and surging gold prices contained the damage. The current account surplus widened in the first half of 2020, increasing by 14.0% year on year supported by a strong produce trade performance. It stated that although prices for major exports recorded substantial declines, earnings from the mining sector notably gold exports sustained a sizeable trade surplus.
- Mineral Resources Development Company (MRDC) Managing Director (MD) Augustine Mano said oil price is above US\$60 (K207.90) and looks promising this year. In the latter year, the oil price average was at a historical low and on average for the year around US\$32 (K110.88). It will be a strong recovery for the MRDC group.
- Noting the constant depreciation of the PNG Kina (PGK) against global currencies, Bank South Pacific (BSP) Group Chief Executive Officer (CEO) Robin Fleming said the PGK exchange rate was largely determined by the US dollar and the consequence of other currencies against the US dollar. Hence, the cost of importing items into the country will increase in the coming months if the US dollar does not regain strength against global currencies. The basket of currencies that determines the PGK exchange rate is largely weighted to the US dollar and as a consequence if other currencies such as the Australian, Singapore and New Zealand dollar appreciate against the US dollar, that would result in those currencies also becoming stronger than the PGK.
- Newcrest Mining Limited (NCM) revealed that it had renewed its unsecured bilateral bank lending facilities with its existing 13 bank lenders, extending the maturity dates. Each bank committed approx. US\$154m in facilities for an overall steady quantum of US\$2.0b on similar commercial terms for NCM.
- Additionally, NCM announced a dividend of AU\$0.19 (PGK0.53) payable on 25 March 2021.
- Oil Search Limited (OSH) announced the appointment of Peter Fredricson as Chief Financial Officer (CFO) effective 23 March 2021. Mr Fredricson replaces Stephen Gardiner, whom served the company for the past 8 years after stepping down from the role of CFO. Mr Gardiner will continue to support OSH as adviser to its Managing Director and will also assist with the handover to Mr Fredricson on a transitional basis. Prior to this, he was the CFO of APA Group, an ASX-listed energy infrastructure company, for over 11 years. Mr Fredricson brings to the company over 30 years of international experience in the infrastructure, financial services, investment, and merchant banking sectors across Australia, New Zealand and Asia.
- This week's Central Bank Bill overall auction was oversubscribed by K28.0m from the total K24m offered. The weighted average yield for 91 days was 2.04% a drop of 0.01% from the last auction. There were nil offers for 28, 63, 182, 273 and 364 days.
- This week's Treasury Bill overall auction results was undersubscribed by K82.12m from the total K287.12m offered. The weighted average yields for 182 days decrease by 0.01% to 4.40% whereas 273 and 364 days remained unchanged at 6.04% and 7.20% from the last auction. There were nil offers for 63, 91 and 273 days.
- Both Kina Securities Index and Kina Securities Home Index remained unchanged from the prior week at 6,105.19 and 13,312.29 points respectively

### International

- US stocks roared back from a sharp sell-off on Friday as a rally in bond yields eased, while a stronger-than-expected jobs report boosted optimism for a faster economic recovery.
- Australian shares ended the first week of March with a small gain, as a strong performance from the banks offset losses for tech stocks and miners.
- Shares in Asia-Pacific were mostly lower on Friday as investors watched bond yields as well as technology stocks in the region.
- Crude oil prices rose sharply on Friday, extending recent gains, reacting to the decision of the Organization of the Petroleum Exporting Countries and its allies to maintain their output reduction agreement through end of April.

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