

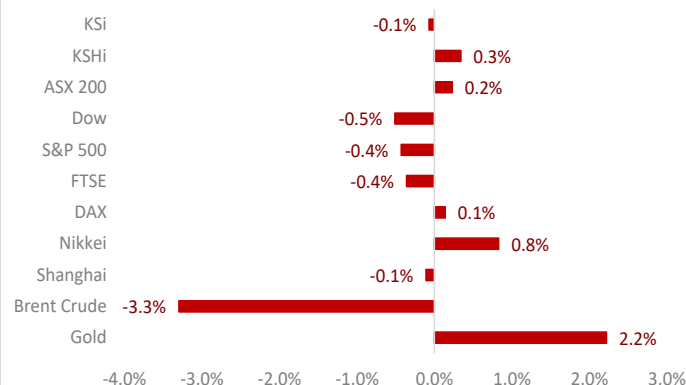
Prices as at POM Close on Friday	21-May-21	% change for the:			
		Week	Month	YTD	
<b>Domestic</b>					
KSI Index	5,820.86	-0.1%	-5.1%	-3.8%	
KSI Home Index	13,508.83	0.3%	0.4%	1.5%	
<b>PNGX shares (K/share) Arbitrage PNGX</b>					
Bank South Pacific	12.00	0.0%	0.0%	0.0%	
Credit Corporation	1.69	-0.6%	0.0%	-0.6%	
City Pharmacy	0.70	16.7%	16.7%	40.0%	
Kina Asset Management Limited	0.99	10.0%	10.0%	10.0%	
Kina Securities Limited	2.60	3.25	1.6%	1.6%	8.3%
Oil Search Limited	9.88	10.50	0.0%	4.5%	10.3%
Newcrest Mining Limited	75.59	75.00	0.0%	-8.0%	-8.0%
<b>Australia</b>					
S&P/ASX 200	7,030.26	0.2%	-0.4%	6.7%	
S&P/ASX 50	6,828.30	0.3%	0.4%	8.2%	
<b>USA*</b>					
DJIA	34,207.84	-0.5%	0.5%	11.8%	
S&P 500	4,155.86	-0.4%	-0.6%	10.6%	
NASDAQ	13,470.99	0.3%	-3.9%	4.5%	
<b>Europe*</b>					
FTSE	7,018.05	-0.4%	1.1%	8.6%	
DAX	15,437.51	0.1%	1.0%	12.5%	
CAC 40	6,386.41	0.0%	2.1%	15.0%	
<b>Asia*</b>					
Nikkei	28,317.83	0.8%	-2.4%	3.2%	
Hang Seng	28,458.44	1.5%	-2.1%	4.5%	
Shanghai	3,486.56	-0.1%	0.4%	0.4%	
<b>Commodities*</b>					
Light Crude WTI Futures	63.58	-2.7%	2.3%	31.0%	
Brent Crude	66.44	-3.3%	0.5%	28.3%	
Gold	1,878.90	2.2%	5.7%	-0.9%	
<b>Currencies*</b>					
PGK/USD	0.2850	0.0%	0.0%	0.0%	
PGK/AUD	0.3675	-0.3%	-0.3%	-0.6%	
AUD/USD	0.7757	0.4%	0.3%	0.7%	
USD/JPY	108.72	-0.7%	0.8%	5.4%	
EUR/USD	1.2237	1.2%	1.8%	-0.4%	
GBP/USD	1.4196	1.1%	2.4%	4.2%	
<b>Ten year Government Bond yields*</b>					
United States	1.62%	-0.01%	0.06%	0.71%	
Australia	1.73%	-0.06%	0.00%	0.76%	
New Zealand	1.83%	-0.07%	0.23%	0.84%	
Japan	0.08%	-0.01%	0.01%	0.06%	
PNG	9.90%	-0.08%	-0.08%	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

- According to Finance Secretary Dr Ken Ngangan the configuration of Goods and Services Tax Section 65 in the Information Financial Management System (IFMS) is progressing well. "When we switched on the section 65 component in IFMS, in just two days, we collected K110,000 to K120,000, we expect that there will be improved GST collections at the point of payment on the IFMS and this was all part of improving and increasing revenue collection" said Dr Ngangan.
- Bank of BPNG's (BPNG) Governor Mr Loi Bakani said BPNG's foreign reserve is estimated to be K8.8b (US\$2.5b). Mr Bakani said foreign exchange (FX) inflows this year were mainly from Government overseas borrowings while outflows continue to be from Government debts servicing. BPNG has also provided some interventions which commercial banks used to settle imports. Moreover, per latest S&P Global rating on the country, FX reserves have held steady over the past 12 month.
- The Independent Consumer and Competition Commission (ICCC) has cleared the proposed acquisition of The Trafigura Group Pte Limited (Trafigura) in Puma Energy Group Pte Limited. ICCC's Chief Executive Officer (CEO) Mr Paulus Ain said although both Trafigura and Puma Energy are private companies and incorporated in Singapore, they applied to ICCC for clearance as Puma operates in the country. Through its wholly owned subsidiaries and Based on information provided, there are no views of a monopoly market.
- According to Hon. Richard Maru there are on-going negotiations with potential investors on various projects to be implemented on a 9,500 hectares of land in the East Sepik Province-East Sepik plains which Kumul Consolidated Holdings had purchased. One successful project on the land is the commercial chicken meat production known as the Sepik Fresh Poultry Product set to generate K50.0m – K100.0m per year.
- CEO to Nambawan Super Limited (NSL) Mr Paul Sayer provided an update of the superfunds investments stating that its assets have grown to more than K8.14b. He said although the superfund encountered challenges with its investment return, assets continued to grow having assets domestically and internationally. Thus economy and overseas market changes may impact the valuations of the superfund and gradually onto its members. But NSL expects valuations to recover as the economy improves.
- Moreover, NSL's investee company Rangeview Precinct, a retail and residential project worth K296.0m comprising of a commercial shopping mall and residential town houses, located in Waigani is set to be completed in October.
- Kina Bank will reduce its Indicator Lending Rate (ILR) to 6.25% from 11.65% effective 1 June. According to Kina Bank this change will modernize and bring Kina Bank in line with international best practice making it the lowest ILR in the country and give customers more transparency on loan costs as well as control over their finances.
- BSP Financial Group Limited (BSP) announced that, giving due regard to BSP's dividend policy, capital reserves, liquidity position and its assessment of the impact from COVID-19, have determined a final dividend of K1.05 per share as the final dividend for 2020. With a K0.25 per share interim dividend paid in October 2020, the total dividend payment for the 2020 financial year is K1.30 per share, generating a yield of 10.83% on the current share price of K12.00 (as at 11th May 2021).
- Q1 of 2021 saw BSP's profit decreased by 2.6% from Q4 2020, due largely to seasonal affects and increased technology investment. Nevertheless, BSP remains cautiously optimistic that business conditions will improve during the year.
- Further, BSP Chairman, Sir Kostas Constantinou OBE announced that the Australian Stock Exchange (ASX) had approved BSP's application for ASX listing.
- City Pharmacy Limited notified its shareholders that the Annual General Meeting will be held on Thursday 10 June at 10:00am and will be conducted by way of Zoom audio participation.
- The week's Treasury Bill overall auction results was under-subscribed by K71.86m from the total K148.95m offered. The weighted average yields for 182, 273 and 364 days remained unchanged at 4.35%, 6.04% and 7.20% from the last auction. There were nil offers for 63 and 91 days.
- The Kina Securities Index dropped by 0.1% to 5,820.86 points while the Kina Securities Home Index increased by 0.3% attributed to the rise in share price of industrial stock City Pharmacy Limited to K0.70 to end at 13,508.83 points respectively.

### International

- Australian stock market closed slightly higher on Friday, extending the strong gains of the previous session, with the benchmark S&P/ASX 200 staying above the 7,000 mark, following the broadly positive cues overnight from Wall Street on upbeat weekly labor market data.
- The S&P 500 erased earlier gains and finished near the flatline as the tech sector came under pressure again amid another drop in bitcoin price.
- European stocks rose, as Swiss luxury goods maker Richemont jumped after its results and accelerating business growth in the euro.
- Hong Kong equities ended firmer as demand for consumer discretionary and healthcare stocks helped offset selling pressure on communication firms, after lacklustre results dragged Tencent shares.
- According to Barclays, Global oil demand is recovering with major economies reopening amid a cautious supply approach from OPEC+ and restraint in US shale.

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