

Prices as at POM Close on Friday	06-Aug-21	% change for the:		
		Week	Month	YTD
Domestic				
KSI Index	5,833.41	0.0%	-0.1%	-3.6%
KSI Home Index	13,875.15	-0.4%	-0.4%	4.2%
<i>PNGX shares (K/share)</i>	<i>Arbitrage</i>	<i>PNGX</i>		
Bank South Pacific	12.30	0.0%	0.8%	2.5%
Credit Corporation	1.69	-0.6%	-0.6%	-0.6%
City Pharmacy	0.80	0.0%	0.0%	60.0%
Kina Asset Management Limited	1.00	0.0%	0.0%	11.1%
Kina Securities Limited	2.54	0.0%	-0.3%	8.3%
Oil Search Limited	10.27	0.0%	-0.9%	10.4%
Newcrest Mining Limited	67.69	0.0%	0.0%	-8.0%
Australia				
S&P/ASX 200	7,538.42	2.0%	3.6%	14.4%
S&P/ASX 50	7,296.50	2.1%	3.7%	15.6%
USA*				
DJIA	35,208.51	0.8%	1.0%	15.0%
S&P 500	4,436.52	0.9%	1.5%	18.1%
NASDAQ	14,835.76	1.1%	0.9%	15.1%
Europe*				
FTSE	7,122.95	1.3%	0.0%	10.3%
DAX	15,761.45	1.4%	0.5%	14.9%
CAC 40	6,816.96	3.1%	4.4%	22.8%
Asia*				
Nikkei	27,820.04	2.0%	-0.4%	1.4%
Hang Seng	26,179.40	0.8%	-4.3%	-3.9%
Shanghai	3,458.23	1.8%	-1.9%	-0.4%
Commodities*				
Light Crude WTI Futures	68.28	-7.7%	-8.4%	40.7%
Brent Crude	70.70	-7.4%	-6.4%	36.5%
Gold	1,763.10	-3.0%	-2.6%	-7.0%
Currencies*				
PGK/USD	0.2850	0.0%	0.0%	0.0%
PGK/AUD	0.3856	-0.1%	0.5%	4.2%
AUD/USD	0.7391	0.1%	-0.5%	-4.1%
USD/JPY	109.82	0.2%	-0.2%	6.5%
EUR/USD	1.1826	-0.5%	-0.1%	-3.8%
GBP/USD	1.3922	-0.1%	1.1%	2.2%
Ten year Government Bond yields*				
United States	1.30%	0.08%	-0.06%	0.38%
Australia	1.19%	0.01%	-0.17%	0.22%
New Zealand	1.73%	0.08%	0.07%	0.75%
Japan	0.02%	-0.01%	-0.02%	-0.01%
PNG	9.70%	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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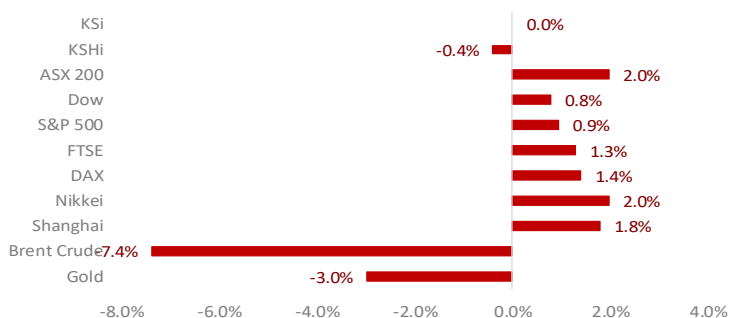
Domestic

- Prime Minister James Marape said that Oil Search and Santos merge could produce high value for the country should satisfy national interest. Marape said he wished the merged entity, which would be a top-20 global oil and gas company, ensures a significant part of its business remains in Papua New Guinea and supports local jobs. Meanwhile, the OSH board has considered the revised proposal and has determined to grant due diligence access to Santos, subject to the parties entering into an acceptable confidentiality agreement.
- Subsequent to a revised proposal, Oil Search Limited has agreed to a merger with Santos. Under this proposal shareholders of OSH will own 38.5% of the merged group compared to 36.9% under earlier proposal by Santos, last month. The aim of the merger of these 2 companies is to be the regional champion in the energy sector with a market capital of A\$22.0b (PGK56.0b). The merged group would be within the S&P ASX-20 index and amongst the top 20 largest global oil and gas firms.
- The Independent Consumer and Competition Commission (ICCC) will continue to put on trial, businesses that have raised the prices of goods during the Covid-19 state of emergency (SOE) last year. Of the 104 businesses assessed, 48 complied paying a total of K450k in fines, while 56 still owe the ICCC up to K1.0m in unpaid fines. From April - June 2020, ICCC had carried out a nationwide price surveillance exercise June to implement SOE Order No. 8 on price regulation. Commissioner and Chief Executive Officer Paulus Ain, notes that the aim of the price regulation was to protect consumer interests from dishonest business houses taking advantage of the National SOE and increasing prices of basic goods.
- The 2021 Annual Business Advantage PNG Investment Conference will be held via digital conference from 7-9 September, 2021 and will feature keynote speakers addressing trends in global trade and investment, how large corporates and SMEs can work effectively together to boost economic growth, including collaborative panel discussions, interviews, case studies, videos and individual presentations.
- The PNG National Stock Exchange Market (PNGX) announced the new appointment of its General Manager, Elizabeth Wamsa. Chairman David Lawrence stated that Wamsa joins an exclusive group of female leaders of emerging market exchanges globally and is one of the new generation young women leaders of PNG.
- Nasfund Contributor's Savings & Loans Society (NCSL) and Kina Bank Limited (KBL) recently signed a memorandum of understanding which will enable NCSL staff to get home loans from the bank, under its home loan ownership scheme. KBL will take its 1st mortgage over the financed property, while NCSL takes the 2nd mortgage.
- Following the departure James Rice, Paradise Foods Limited (PFL) announced the new appointment of Ben Wong, who will be the interim Chief Executive Officer for 3 months. Chairman Anthony Smare, notes that for the last 2 years, Mr Wong has been Chief Finance Officer and had filled in for Mr Rice previously for little stints.
- The Bank of PNG (BPNG) announced that the Kina Facility Rate for August 2021 will be maintained at 3.0%.
- BPNG's Treasury Bill overall auction results this week was over-subscribed by K51.1m from the total K235.1m offered. The weighted average yields for 182, 273 and 364 days all remained unchanged at 4.34%, 6.04% and 7.20% respectively from the last auction. There were nil offers for 63 and 91 days.
- Both the KSI Index and KSI Home Index dropped to 5,833.41 and 13,875.15 points, due to a drop in CCP price to K1.69 from K1.70 from the prior week.

International

- U.S. equities rose on Friday after a better-than-expected increase in U.S. payrolls fueled expectations that the Federal Reserve is moving closer to a pullback of stimulus.
- Asian shares closed lower on Friday, on worries over a continuing surge of new cases of COVID-19 and tightening government regulations, although they recorded their biggest weekly gain in six.
- Australian shares ended at a record high on Friday, hitting an all-time peak for a 4th session out of five this week, with buy now, pay later firm Afterpay and the 'Big Four' banks doing much of the heavy lifting.
- The major European stock markets shook off early weakness on Friday, gradually picking up steam as the session progressed before finishing slightly higher. The markets turned higher after US employment data came in stronger than expected, reinforcing the global economic recovery.
- Oil prices fell about 1.0% on Friday, posting to their steepest weekly losses in months, on worries that travel restrictions to curb the spread of the Delta variant of COVID-19 will derail the global recovery in energy demand.
- The PGK/USD remained unmoved at 0.2850, while PGK/AUD dropped by 0.1%, closing the week at 0.3856.

Weekly Movement (%)



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

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