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PNGX EQUITIES • FIXED INCOME • INVESTOR EDUCATION

Quiet again: turnover K1.17m as PLC sits out the week

ISSUED

w/e 21 Aug 2026

COVERAGE

PNGX-listed equities

PERIOD

17 – 21 August 2026

TOTAL TRADING VALUE	TOTAL VOLUME	STOCKS TRADED	MARKET YIELD (LTM)
K1.17m	**188,236**	**4 of 10**	**5.49%**
vs K5.56m	vs 3,551,715	—	+3 bps wow
−79% on prior week	−95% on prior week	BSP, KSL, STO, CCP	weighted-avg, legacy methodology

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WEEKLY TRADE COMMENTARY

PNGX EQUITY MARKET — WEEK ENDING 21 AUGUST 2026

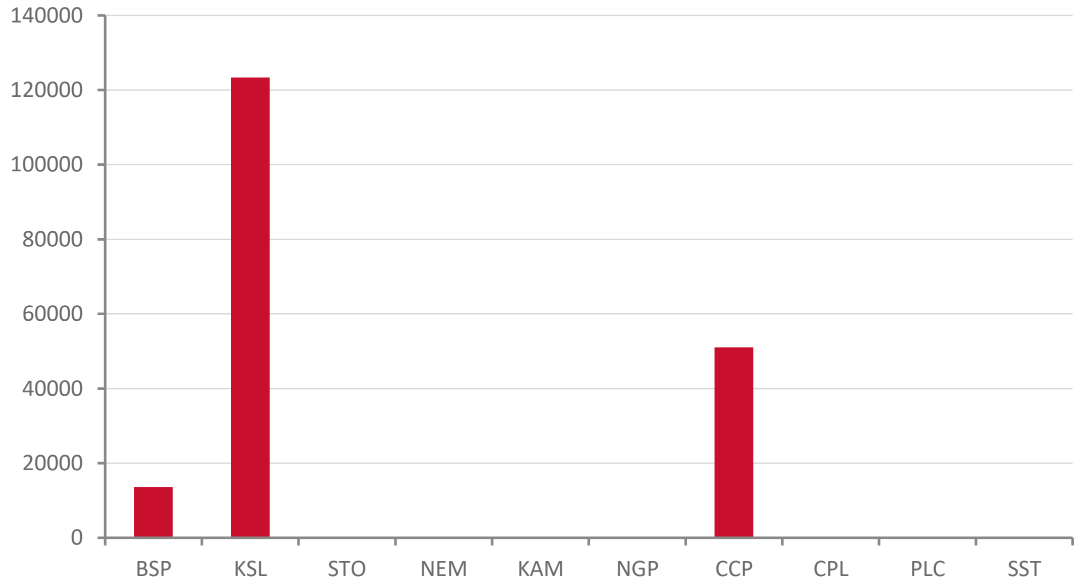
A subdued week — turnover eased to K1.17m on 188,236 shares as just four counters traded and PLC sat out entirely for the first time in months. BSP led on value at K0.38m, easing 20t to K28.00 on 13,612 shares. KSL traded 123,312 shares off 1t to K4.44 for K0.55m, and CCP 51,012 shares steady at K4.66 for K0.24m. STO added 300 shares at K22.61. NEM, KAM, NGP, CPL and SST did not trade. Separately, BSP declared a 2026 interim dividend of K0.54.

PRICE & VOLUME

STOCK	VOLUME	CLOSE (K)	VALUE (K)	CHANGE	CHANGE %
BSP	13,612	28.00	381,698.00	−0.20	−0.71%
KSL	123,312	4.44	547,505.28	−0.01	−0.22%
STO	300	22.61	5,498.63	—	—
NEM	—	490.00	—	—	—
KAM	—	2.25	—	—	—
NGP	—	1.36	—	—	—
CCP	51,012	4.66	237,715.92	—	—
CPL	—	1.05	—	—	—
PLC	—	1.48	—	—	—
SST	—	50.00	—	—	—
TOTAL	**188,236**		**1,172,417.83**		**−0.10%**

Source: PNGX matched on-market trades, week ending 21 August 2026. JMP Securities analysis.

WEEKLY VOLUME



Volume by counter (shares matched). KSL led at 123k shares; CCP 51k, BSP 14k and STO 0.3k follow. PLC did not trade this week, nor did NEM, KAM, NGP, CPL or SST.

DIVIDEND YIELD

PNGX-LISTED EQUITIES — TRAILING-TWELVE-MONTH YIELDS

Market-wide LTM dividend yield firmed to 4.75% this week (weighted by market cap, legacy methodology), up about 2 bps after BSP declared a 2026 interim dividend of K0.54 — lifting its LTM yield to 6.86% (from 6.67%). KSL edged to 7.18% on its slip to K4.44. NGP (16.91%) still leads, with KAM (11.11%) and CPL (8.57%) next. KSL (7.18%), BSP (6.86%), CCP (5.39%) and STO (4.43%) follow, with SST at 2.10%. PLC remains pre-dividend.

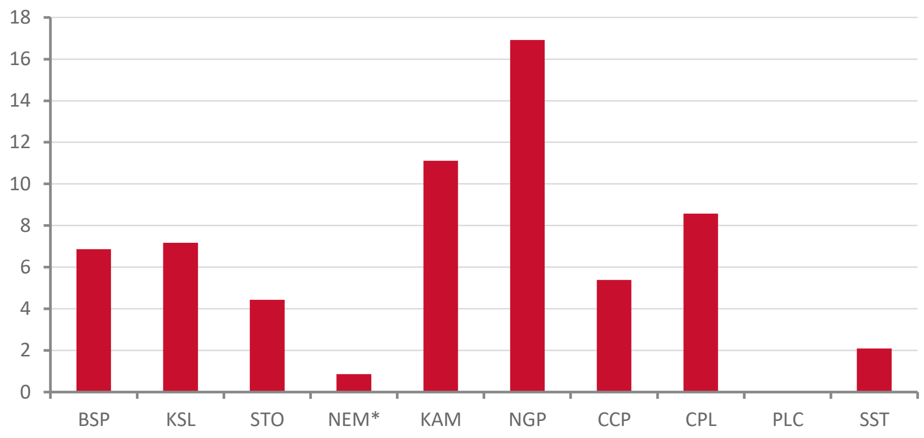
DIVIDEND TABLE (PGK)

STOCK	ISSUED SHARES	MKT CAP (K)	FIN 24	INT 25	FIN 25	INT 26	YIELD %
BSP	467,317,665	13,084,894,620	0.450	1.210	1.38	0.54	**6.86%**
KSL	294,332,296	1,306,835,394	0.106	0.155	0.193	—	**7.18%**
STO	3,261,616,703	73,745,153,655	0.506	0.414	0.443	USD $0.116	**4.43%**
NEM*	1,097,000,000	537,530,000,000	—	2.110	2.110	USD $0.520	**0.86%**
KAM	53,259,588	119,834,073	0.200	—	0.250	—	**11.11%**
NGP	45,890,700	62,411,352	0.120	0.040	0.190	—	**16.91%**
CCP	307,931,332	1,434,960,007	0.121	0.121	0.130	—	**5.39%**
CPL	206,277,911	216,591,807	—	0.50*	0.040	—	**8.57%**
PLC	860,718,662	1,273,863,620	—	—	—	—	**—**
SST	31,008,237	1,550,411,850	0.300	0.400	0.650	—	**2.10%**
TOTAL / WEIGHTED-AVG							**5.49%**

LTM = Last twelve months. Yields use most recently declared interim and final dividends. NEM dividends in USD until PGK rate announced; NEM excluded from market-wide yield. PLC now added.

**CPL Special Dividend*

YIELD % (LTM)



THE DIVIDEND YIELD FORMULA

*Dividend Yield = **Annual Dividends per Share ÷ Current Share Price × 100***

Calculated by dividing a company's annual dividends per share by its current share price, expressed as a percentage.

KEY MARKET ANNOUNCEMENTS

PNGX-LISTED COMPANIES — WEEK ENDING 21 AUGUST 2026

A results-heavy week. BSP released its 2026 Half-Year Results — a market announcement, investor presentation, financial statements and Appendix 5B — and, as noted on the yield page, declared a K0.54 interim dividend. STO also reported: its 2026 Half-Year Report, a 'strong base business' update, and an Appendix 3A.1 dividend-distribution notice.

ANNOUNCEMENTS

STOCK	ANNOUNCEMENT	SOURCE
BSP	2026 Half-Year Results (announcement, presentation & financials)	*pngx.com.pg/.../Market-Announcement_BSP-2026-Half-Year-Results.pdf*
STO	2026 Half-Year Report	*pngx.com.pg/.../2026-08-19-STO-Half-Year-Report-2026.pdf*
STO	Santos reports strong base business	*pngx.com.pg/.../2026-08-19-STO-Santos-reports-strong-base-business.pdf*
STO	Appendix 3A.1 — Notification of dividend distribution	*pngx.com.pg/.../2026-08-19-STO-Appendix-3A.1-Notification-of-dividend-distribution.pdf*

Source: PNGX market announcements, 17 – 21 August 2026.

BPNG TREASURY BILL AUCTION

DOMESTIC MARKETS DEPARTMENT — MONEY MARKETS OPERATIONS UNIT

AUCTION *19-AUG-26 / GOI / Government Treasury Bill*

SETTLEMENT *21-AUG-26*

AMOUNT ON OFFER

K270.0m

UNDER-SUBSCRIBED BY K84.64M

TERMS	ISSUE / 63	ISSUE / 91	ISSUE / 182	ISSUE / 273	ISSUE / 364	TOTAL
Weighted Avg Yield	—	—	4.62%	4.98%	5.05%	
Amount on Offer (K'm)	—	—	20.00	50.00	200.00	**270.00**
Bids Received (K'm)	—	—	0.26	35.00	150.10	**185.36**
Successful Bids (K'm)	—	—	0.26	20.00	110.10	**130.36**
Over / (Under) Subscribed (K'm)	**—**	**—**	**−19.74**	**−15.00**	**−49.90**	**−84.64**

Source: Bank of Papua New Guinea — Domestic Markets Department, T-Bill auction 19 August 2026 (settlement 21 August 2026).

BPNG GOVERNMENT BOND AUCTION

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NEW ISSUANCE — WEEK ENDING 21 AUGUST 2026

AUCTION *18-AUG-26 / GOB / Government Bond*

SETTLEMENT *21-AUG-26*

AMOUNT ON OFFER

K480.0m

NET SUBSCRIPTION K83.00M

SERIES	AMOUNT ON OFFER (K'm)	BIDS RECEIVED (K'm)	SUCCESSFUL BIDS (K'm)	SUCCESSFUL YIELD	WEIGHTED AVG RATE	COUPON RATE	NET SUBSCRIPTION (K'm)
Issue ID 2026/5057 — 3 yr	50.00	60.00	50.00	6.10–6.27%	6.26%	6.30%	+10.00
Issue ID 2026/5058 — 5 yr	100.00	118.00	100.00	6.43–6.70%	6.61%	6.70%	+18.00
Issue ID 2026/5059 — 7 yr	80.00	85.00	80.00	6.73–6.80%	6.76%	6.80%	+5.00
Issue ID 2026/5060 — 10 yr	150.00	180.00	150.00	6.73–6.90%	6.84%	6.90%	+30.00
Issue ID 2026/5061 — 15 yr	100.00	120.00	50.00	7.13–7.30%	7.26%	7.30%	+20.00
TOTAL	480.00	563.00	480.00				+83.00

Source: Bank of Papua New Guinea — Domestic Markets Department, GOB auction 18 August 2026 (settlement 21 August 2026).

INVESTOR EDUCATION

TOPIC OF THE WEEK — HEDGE FUNDS

WHAT IS A HEDGE FUND?

A hedge fund is a pooled, actively managed investment vehicle for sophisticated investors. It gathers capital from accredited or institutional investors and deploys it across a wide range of strategies and asset classes, aiming to generate returns largely independent of broad market direction. It can go long or short, use leverage and trade derivatives — a far broader mandate than a mutual fund.

Hedge funds are lightly regulated relative to retail funds, cap their investor count with high minimums, and charge performance fees tied to returns. The classic “2 and 20” model — a ~2% management fee plus ~20% of profits (above a hurdle and subject to a high-water mark) — has compressed industry-wide, with many funds now closer to “1.5 and 15” or below.

Four strategy families cover most industry assets: long/short equity, global macro, event-driven and relative-value/quant. Many funds blend these as “multi-strategy”. Access is restricted to accredited or institutional investors precisely because of the leverage, liquidity and concentration risks involved.

FOUR STRATEGY FAMILIES

01 Long / short equity

Buy undervalued stocks and short overvalued ones to isolate stock-picking skill from overall market direction.

02 Global macro

Trade currencies, rates and indices on top-down macroeconomic and geopolitical views — the most directional of the families.

03 Event-driven

Position around corporate catalysts — mergers, restructurings, spin-offs — where a specific event, not the market, drives the return.

04 Relative value / quant

Exploit pricing gaps between related instruments using statistical and quantitative models, often market-neutral.

FEATURED READ

Economic update: a region-by-region view

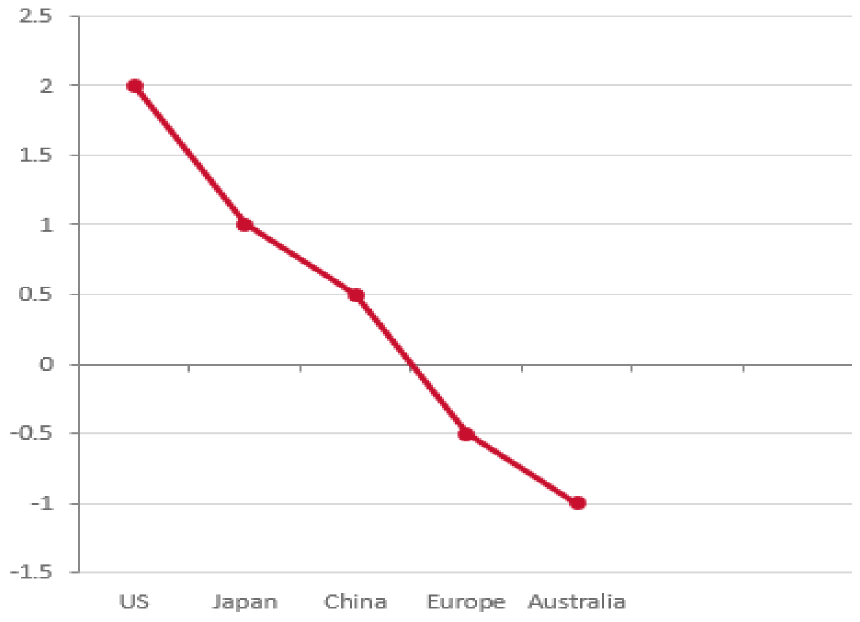
Monthly Bell — Bell Potter • Rob Crookston, Strategist

Global growth is holding up better than feared, but it is a story of two forces: a positive technology shock from AI investment now driving demand, and a fading energy shock as oil prices ease. Economies with less energy exposure and more AI exposure look best placed. The US leads the G7 on steady above-trend growth — AI capex alone is adding roughly 1% to GDP — supported by tax cuts, bank deregulation and energy independence, though disinflation has stalled with core inflation sticky near 3.4%.

Elsewhere the picture is mixed. Australia is the one major economy still absorbing simultaneous monetary and fiscal tightening — Bell Potter sits more hawkish than the market and sees one to two more RBA hikes, with housing inflation the sticky point. Japan is finally normalising, helped by AI-geared semiconductor exporters; Europe's energy-sensitive industrials bear the drag; and China grows only moderately, with front-loaded policy support putting a floor under real-estate and consumption headwinds.

JMP read: The through-line for PNG is the commodity and rate backdrop. A firmer US and the AI-capex cycle support demand for the metals and energy PNG exports, while easing oil is a mixed blessing — good for import costs, softer for LNG-linked revenue. The Australian angle matters too: further RBA hikes and a firmer AUD feed directly into kina cross-rates and imported inflation. The key risk is a Middle East re-escalation that pushes oil back up.

FIGURE — GROWTH MOMENTUM BY REGION



Source: Bell Potter (Monthly Bell); JMP illustration. Relative growth momentum by region — illustrative ranking.

ALSO ON OUR DESK

- US AI capex is adding ~1% to GDP — the clearest structural tailwind in the G7 — Bell Potter
- Australia is the one major economy still tightening; more RBA hikes seen — Bell Potter
- Key risk: a Middle East re-escalation that reignites the energy-price shock — Bell Potter

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FOR FURTHER ENQUIRIES

Speak to your equities trader for any orders, research questions or market colour.

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WHAT THIS REPORT COVERED THIS WEEK

- Weekly trade activity — 4 stocks traded, K1.17m value (−79% pw)
- Dividend yields — market-wide LTM 4.75% (+2 bps; BSP declares K0.54 interim)
- Results week — BSP & STO 2026 half-year results and dividends
- BPNG T-Bill auction — under-subscribed by K84.64m
- BPNG bond auction — new K480m issuance, net subscription K83.00m
- Investor Education — Hedge Funds
- External research — Bell Potter's region-by-region economic view

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