JMP | SECURITIES

PNGX EQUITIES • FIXED INCOME • INVESTOR EDUCATION

Activity fades to K6.56m; KSL slips as the tape quietens

ISSUED

w/e 31 Jul 2026

COVERAGE

PNGX-listed equities

PERIOD

27 – 31 July 2026

TOTAL TRADING VALUE	TOTAL VOLUME	STOCKS TRADED	MARKET YIELD (LTM)
K6.56m	**1,153,304**	**5 of 10**	**5.51%**
vs K17.31m	**vs 4,730,881**	—	**flat wow**
−62% on prior week	−76% on prior week	BSP, KSL, CCP, CPL, PLC	weighted-avg, legacy methodology

PREPARED BY

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WEEKLY TRADE COMMENTARY

PNGX EQUITY MARKET — WEEK ENDING 31 JULY 2026

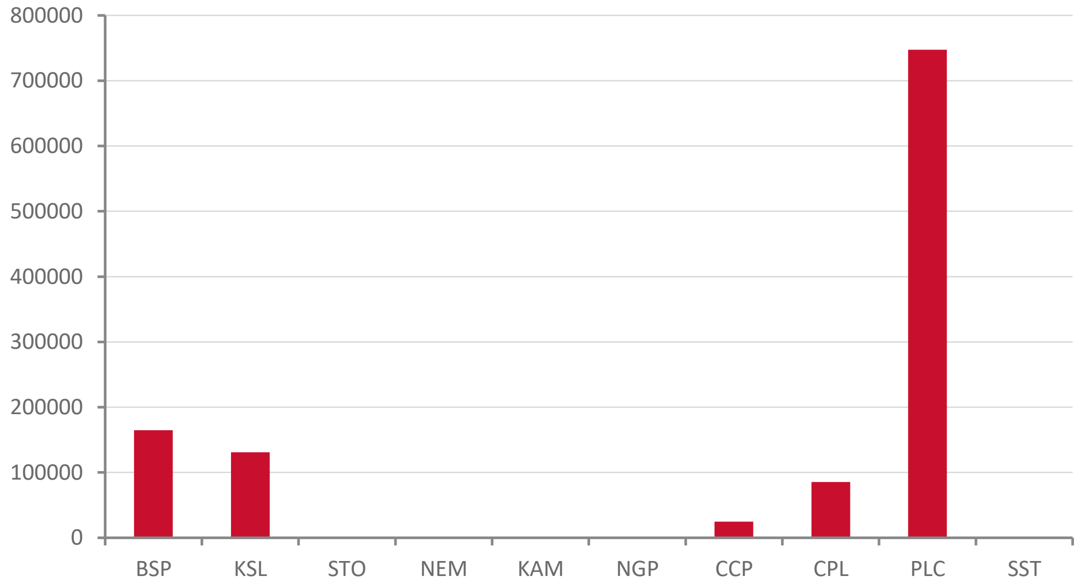
Activity faded sharply after the BSP-heavy week — turnover fell 62% to K6.56m and volume dropped 76% to 1.15m shares, with five counters trading. PLC led on volume at 747,581 shares, steady at K1.48, for K1.11m. BSP traded 164,985 shares steady at K28.20 for K4.65m. KSL was the notable mover, off 17t (−3.6%) to K4.57 on 130,771 shares; CPL bounced 10t (+10.5%) to K1.05 on 85,210 shares, and CCP traded 24,757 shares steady at K4.66. STO, NEM, KAM, NGP and SST sat out.

PRICE & VOLUME

STOCK	VOLUME	CLOSE (K)	VALUE (K)	CHANGE	CHANGE %
BSP	164,985	28.20	4,651,605.40	—	—
KSL	130,771	4.57	601,489.56	−0.17	−3.59%
STO	—	22.37	—	—	—
NEM	—	490.00	—	—	—
KAM	—	2.21	—	—	—
NGP	—	1.36	—	—	—
CCP	24,757	4.66	115,367.62	—	—
CPL	85,210	1.05	85,211.07	+0.10	+10.53%
PLC	747,581	1.48	1,106,419.88	—	—
SST	—	50.00	—	—	—
TOTAL	**1,153,304**		**6,560,093.53**		**−0.03%**

Source: PNGX matched on-market trades, week ending 31 July 2026. JMP Securities analysis.

WEEKLY VOLUME



Volume by counter (shares matched). PLC led at 748k shares; BSP 165k and KSL 131k follow, with CPL 85k and CCP 25k behind. STO, NEM, KAM, NGP and SST did not trade.

DIVIDEND YIELD

PNGX-LISTED EQUITIES — TRAILING-TWELVE-MONTH YIELDS

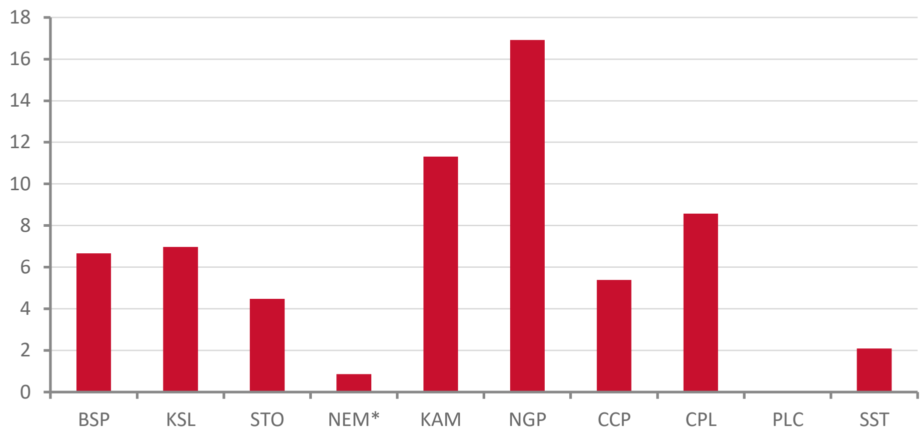
Market-wide LTM dividend yield held at 4.77% this week (weighted by market cap, legacy methodology), steady week on week. KSL's yield rose to 6.98% as it fell to K4.57, while CPL's eased to 8.57% on its bounce to K1.05. NGP (16.91%) still leads, with KAM (11.31%) and CPL (8.57%) next. KSL (6.98%), BSP (6.67%), CCP (5.39%) and STO (4.48%) follow, with SST at 2.10%. PLC remains pre-dividend.

DIVIDEND TABLE (PGK)

STOCK	ISSUED SHARES	MKT CAP (K)	INT 24	FIN 24	INT 25	FIN 25	YIELD %
BSP	467,317,665	13,178,358,153	0.450	1.210	0.500	1.380	6.67%
KSL	294,332,296	1,345,098,593	0.106	0.155	0.126	0.193	6.98%
STO	3,261,616,703	72,929,749,479	0.506	0.414	0.559	0.443	4.48%
NEM*	1,097,000,000	537,530,000,000	—	2.110	2.110	USD $0.520	0.86%
KAM	53,259,588	117,703,689	0.200	—	0.250	—	11.31%
NGP	45,890,700	62,411,352	0.040	0.120	0.040	0.190	16.91%
CCP	307,931,332	1,434,960,007	0.120	0.121	0.121	0.130	5.39%
CPL	206,277,911	216,591,807	—	—	0.050	0.040	8.57%
PLC	860,718,662	1,273,863,620	—	—	—	—	—
SST	31,008,237	1,550,411,850	0.400	0.300	0.400	0.650	2.10%
TOTAL / WEIGHTED-AVG							5.51%

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.

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 31 JULY 2026

A quiet week for the board — two filings, both from PLC. PLC lodged a notification regarding unquoted securities and, more notably, disclosed that the PNG Government has acquired a 13% stake in the Central Lime Project. No other listed company filed during the week.

ANNOUNCEMENTS

STOCK	ANNOUNCEMENT	SOURCE
PLC	Notification regarding unquoted securities	*pngx.com.pg/.../2026-07-27-PLC-Notification-regarding-unquoted-securities.pdf*
PLC	PNG Govt acquires 13% stake in Central Lime Project	*pngx.com.pg/.../2026-07-27-PLC-PNG-Govt-Acquires-13-Stake-In-Central-Lime-Project.pdf*

Source: PNGX market announcements, 27 – 31 July 2026.

BPNG TREASURY BILL AUCTION

DOMESTIC MARKETS DEPARTMENT — MONEY MARKETS OPERATIONS UNIT

AUCTION *29-JUL-26 / GOI / Government Treasury Bill*

SETTLEMENT *31-JUL-26*

AMOUNT ON OFFER

K270.0m

UNDER-SUBSCRIBED BY K65.10M

TERMS	ISSUE / 63	ISSUE / 91	ISSUE / 182	ISSUE / 273	ISSUE / 364	TOTAL
Weighted Avg Yield	—	—	4.85%	5.04%	5.03%	
Amount on Offer (K'm)	—	—	20.00	50.00	200.00	**270.00**
Bids Received (K'm)	—	—	1.50	81.00	122.40	**204.90**
Successful Bids (K'm)	—	—	1.50	71.00	92.40	**164.90**
Over / (Under) Subscribed (K'm)	**—**	**—**	**−18.50**	**+31.00**	**−77.60**	**−65.10**

Source: Bank of Papua New Guinea — Domestic Markets Department, T-Bill auction 29 July 2026 (settlement 31 July 2026).

BPNG GOVERNMENT BOND AUCTION

NO NEW ISSUANCE — WEEK ENDING 31 JULY 2026

AUCTION *21-JUL-26 / GOB / Government Bond*

SETTLEMENT *24-JUL-26*

AMOUNT ON OFFER

K300.0m

NET SUBSCRIPTION K25.00M

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	65.00	55.00	6.11–6.17%	6.12%	6.40%	+15.00
Issue ID 2026/5058 — 5 yr	50.00	50.00	50.00	6.43–6.43%	6.43%	6.80%	0.00
Issue ID 2026/5059 — 7 yr	50.00	60.00	50.00	6.59–6.59%	6.59%	6.90%	+10.00
Issue ID 2026/5060 — 10 yr	100.00	100.00	100.00	6.73–6.73%	6.73%	7.10%	0.00
Issue ID 2026/5061 — 15 yr	50.00	50.00	50.00	7.13–7.13%	7.13%	7.40%	0.00
TOTAL	**300.00**	**325.00**	**305.00**				**+25.00**

Source: Bank of Papua New Guinea — Domestic Markets Department, GOB auction 21 July 2026 (settlement 24 July 2026).

INVESTOR EDUCATION

TOPIC OF THE WEEK — PORTFOLIO MANAGEMENT

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WHAT IS PORTFOLIO MANAGEMENT?

Portfolio management is the practice of selecting, weighting and continuously adjusting a collection of assets to meet specific investment objectives — return targets, risk tolerance, time horizon and liquidity needs — while respecting constraints such as mandate limits, regulation, tax and ESG screens. At its core it is a continuous cycle, not a one-time decision.

It begins top-down. An Investment Policy Statement sets the target return, acceptable risk and constraints; asset allocation then splits capital across asset classes and, within equities, across geographies and sectors — typically the single largest driver of returns and volatility, more than individual stock picking. Security selection, construction and cost-efficient execution follow.

Then it loops. Monitoring tracks performance and risk drift against a benchmark, rebalancing pulls weights back to target, and attribution splits returns into allocation, selection and timing effects — feeding into the next decision. Two philosophies run through it all: active management (seeking to beat a benchmark, accepting tracking error) and passive (replicating it at low cost), with most approaches somewhere between.

THE PM CYCLE

01 Objectives & constraints

The Investment Policy Statement defines target return, acceptable risk (volatility, drawdown, tracking error), horizon, liquidity and restrictions — the rulebook everything else must respect.

02 Asset allocation

The top-down split across asset classes and, within equities, geographies and sectors. Usually the single biggest driver of a portfolio's return and volatility — far more than security selection.

03 Security selection & execution

Bottom-up picking of individual instruments — where an equities desk's stock-picking sits — then trading the portfolio into place while minimising market impact and slippage.

04 Monitor, rebalance, attribute

Track performance and risk drift against benchmark, rebalance back to target weights, and attribute returns to allocation vs selection vs timing — which loops back into the next allocation call.

FEATURED READ

Rising global imbalances underscore the need to confront domestic distortions

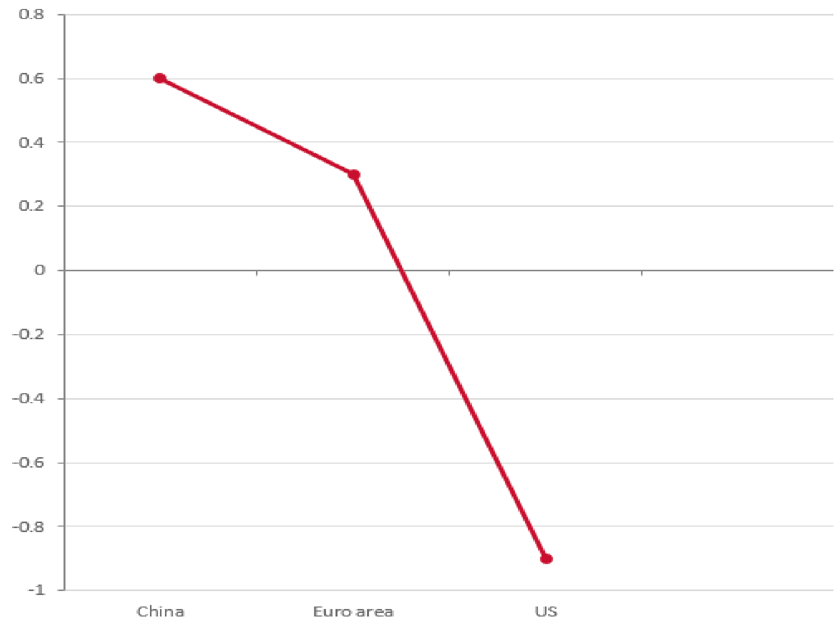
IMF Blog • Chen & Platzer, IMF Research

Global current-account balances widened further in 2025, driven mainly by China, whose surplus recorded its largest widening in at least two and a half decades — up about US$300 billion to roughly 0.6% of world GDP. The US deficit narrowed by US$69 billion but remained by far the world's largest at about 0.9% of global GDP, exceeding the combined surpluses of China and the euro area, amid elevated trade tensions and a marked reconfiguration of trade.

Not every surplus or deficit is a worry, but the IMF finds "excess" imbalances have also widened, again led by China and the US. Weak Chinese investment plus high precautionary saving drive its surplus; low US saving and a deep fiscal deficit drive its shortfall. Persistent excess balances can mask inefficient resource allocation, build financial vulnerabilities and raise the risk of a disorderly unwind. The best fix is simultaneous action across the major economies.

JMP read: For PNG the imbalances debate lands through commodity demand and the kina. China's surplus and soft domestic investment matter for the metals and LNG that anchor PNG's exports, while US-China trade reconfiguration is reshaping where those flows go. The IMF's point — that unilateral rebalancing still helps even without global coordination — is a reminder that domestic discipline (saving, investment quality, fiscal balance) is what small open economies can actually control.

FIGURE — THE GLOBAL IMBALANCE



Source: IMF External Sector Report. 2025 current-account balances as a share of world GDP; euro area illustrative.

ALSO ON OUR DESK

- China's 2025 current-account surplus widened ~US$300bn — its largest in 25+ years — IMF
- The US deficit is still the world's largest at ~0.9% of global GDP — IMF
- "Excess" imbalances are rising too; simultaneous global action is the best fix — IMF

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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 — 5 stocks traded, K6.56m value (−62% pw)
- Dividend yields — market-wide LTM 4.77% (steady; KSL yield rises as it falls to K4.57)
- 2 PNGX filings — PLC unquoted securities & PNG Govt 13% Central Lime stake
- BPNG T-Bill auction — under-subscribed by K65.10m
- BPNG bond auction — most recent (no new issuance this week)
- Investor Education — Portfolio Management
- External research — IMF on rising global imbalances

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