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PNGX EQUITIES • FIXED INCOME • INVESTOR EDUCATION

BSP block lifts turnover to K8.42m
Just four counters change hands

ISSUED

w/e 18 Sep 2026

COVERAGE

PNGX-listed equities

PERIOD

14 – 18 September 2026

TOTAL TRADING VALUE	TOTAL VOLUME	STOCKS TRADED	MARKET YIELD (LTM)
K8.42m	**312,688**	**4 of 10**	**5.28%**
vs K3.35m	vs 238,422	—	-3 bps wow
+151% on prior week	+31% on prior week	BSP, KSL, KAM, CCP	weighted-avg, legacy methodology

PREPARED BY

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WEEKLY TRADE COMMENTARY

PNGX EQUITY MARKET — WEEK ENDING 18 SEPTEMBER 2026

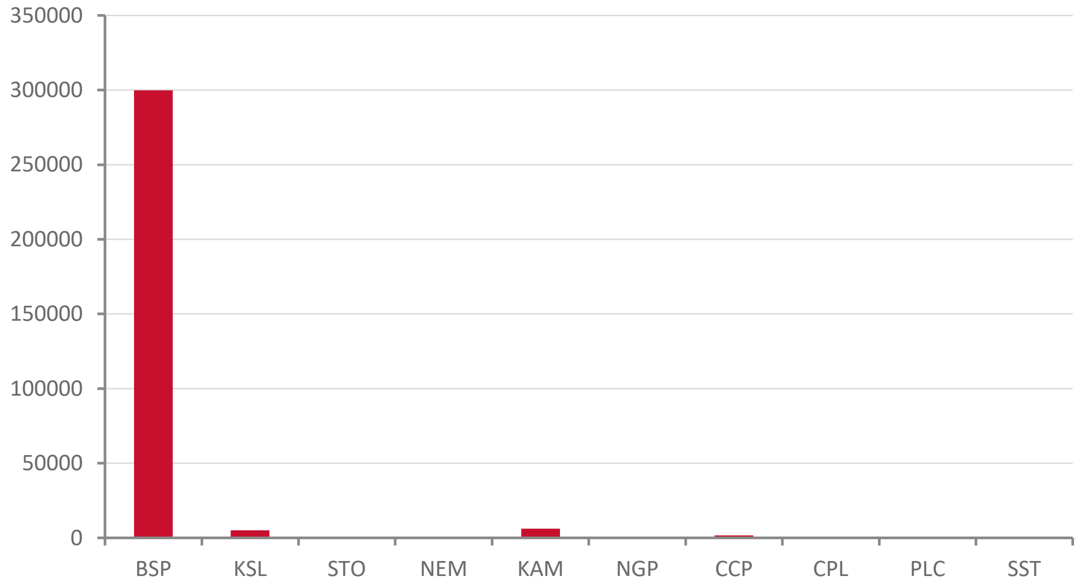
BSP dominated a thin tape — turnover rose to K8.42m on 312,688 shares, but only four counters traded and BSP alone was K8.38m of the value (299,827 shares, steady at K27.95). KSL eased 3t to K4.41 on 5,032 shares, KAM traded 6,163 shares steady at K2.25, and CCP 1,666 shares steady at K4.66. STO, NEM, NGP, CPL, PLC and SST did not trade.

PRICE & VOLUME

STOCK	VOLUME	CLOSE (K)	VALUE (K)	CHANGE	CHANGE %
BSP	299,827	27.95	8,380,164.65	—	—
KSL	5,032	4.41	22,252.83	**−0.03**	**−0.68%**
STO	—	22.90	—	—	—
NEM	—	490.00	—	—	—
KAM	6,163	2.25	13,866.75	—	—
NGP	—	1.36	—	—	—
CCP	1,666	4.66	7,763.56	—	—
CPL	—	1.05	—	—	—
PLC	—	1.48	—	—	—
SST	—	50.00	—	—	—
TOTAL	**312,688**		**8,424,047.79**		**−0.01%**

Source: PNGX matched on-market trades, week ending 18 September 2026. JMP Securities analysis.

WEEKLY VOLUME



Volume by counter (shares matched). BSP dominated at 300k shares; KAM 6k, KSL 5k and CCP 2k follow. STO, NEM, NGP, CPL, PLC and SST did not trade this week.

DIVIDEND YIELD

P N G X - L I S T E D   E Q U I T I E S — T R A I L I N G - T W E L V E - M O N T H   Y I E L D S

Market-wide LTM dividend yield held near 4.55% this week (weighted by market cap, legacy methodology). More names have now rolled 2026 interims into LTM: CCP firms to 5.47%, CPL steps down to 5.71% (its K0.02 interim replacing last year's K0.05 in the window), and SST eases to 2.00%; KSL is 7.60%, STO 4.18%, BSP 6.87%. NGP (13.97%) still leads, then KAM (11.11%). PLC remains pre-dividend.

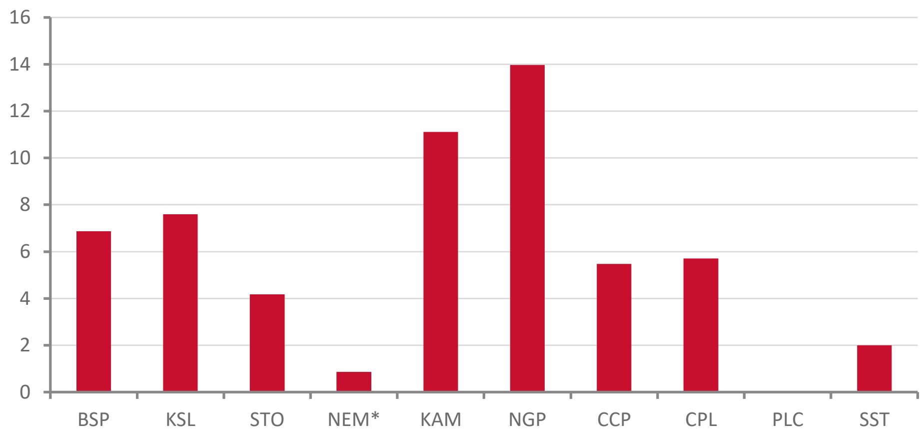
DIVIDEND TABLE (PGK)

STOCK	ISSUED SHARES	MKT CAP (K)	FIN 24	INT 25	FIN 25	INT 26	YIELD %
BSP	467,317,665	13,061,528,737	1.210	0.500	1.380	0.540	**6.87%**
KSL	294,332,296	1,298,005,425	0.155	0.126	0.193	0.142	**7.60%**
STO	3,261,616,703	74,691,022,499	0.414	0.559	0.443	0.514	**4.18%**
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	—	0.250	—	—	**11.11%**
NGP	45,890,700	62,411,352	0.120	0.040	0.190	—	**13.97%**
CCP	307,931,332	1,434,960,007	0.121	0.121	0.130	0.125	**5.47%**
CPL	206,277,911	216,591,807	—	0.050*	0.040	0.020	**5.71%**
PLC	860,718,662	1,273,863,620	—	—	—	—	**—**
SST	31,008,237	1,550,411,850	0.300	0.400	0.650	0.350	**2.00%**
TOTAL / WEIGHTED-AVG							**5.28%**

**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 5t /share*

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

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PNGX-LISTED COMPANIES — WEEK ENDING 18 SEPTEMBER 2026

A results-heavy week. CCP, CPL and NGP all released their 2026 half-year results — with Appendix 5B financials, and an interim dividend notice from CPL. KSL lodged an Appendix 3A.1 dividend notification, and PNGX issued a public-holiday notice for Independence Day on 16 September.

ANNOUNCEMENTS

STOCK	ANNOUNCEMENT	SOURCE
CCP	Half-Year 2026 Results (results, Appendix 5B, investor presentation)	*pngx.com.pg/.../Credit-Corporation-Results-for-2026-First-Half.pdf*
CPL	2026 Half-Year Results (Appendix 5B) & interim dividend notice	*pngx.com.pg/.../CPL-Appendix-5B-JUN26-and-Interim-Dividend-Notice.pdf*
NGP	2026 Half-Year Results & Appendix 5B	*pngx.com.pg/.../NGP-Half-Year-Results-June-2026.pdf*
KSL	Appendix 3A.1 — notification of dividend / distribution	*pngx.com.pg/.../KSL-Appendix-3A.1-Notification-of-dividend-distribution.pdf*
PNGX	Public Holiday Notice — Independence Day (16 September 2026)	*pngx.com.pg/.../PNGX-Public-Holiday-Notice-Independence-Day-16-Sept-2026.pdf*

Source: PNGX market announcements, 14 – 18 September 2026.

BPNG TREASURY BILL AUCTION

DOMESTIC MARKETS DEPARTMENT — MONEY MARKETS OPERATIONS UNIT

AUCTION *15-SEP-26 / GOI / Government Treasury Bill*

SETTLEMENT *18-SEP-26*

AMOUNT ON OFFER

K270.0m

OVER-SUBSCRIBED BY K22.86M

TERMS	ISSUE / 63	ISSUE / 91	ISSUE / 182	ISSUE / 273	ISSUE / 364	TOTAL
Weighted Avg Yield	—	—	4.64%	5.02%	5.03%	
Amount on Offer (K'm)	—	—	20.00	50.00	200.00	**270.00**
Bids Received (K'm)	—	—	22.11	50.55	220.20	**292.86**
Successful Bids (K'm)	—	—	22.11	50.55	200.00	**272.66**
Over / (Under) Subscribed (K'm)	**—**	**—**	**+2.11**	**+0.55**	**+20.20**	**+22.86**

Source: Bank of Papua New Guinea — Domestic Markets Department, T-Bill auction 15 September 2026 (settlement 18 September 2026).

BPNG GOVERNMENT BOND AUCTION

NO NEW ISSUANCE — WEEK ENDING 18 SEPTEMBER 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 — HIGH-FREQUENCY TRADING

WHAT IS HIGH-FREQUENCY TRADING?

High-frequency trading (HFT) is a sub-set of algorithmic trading defined by speed rather than by any view on value. Fully automated systems read exchange data feeds, decide, and submit or cancel orders in microseconds, aiming to capture fractions of a cent per share across enormous volumes. There is no single regulatory definition, but four attributes recur: microsecond decision-to-order latency, millions of orders submitted and cancelled daily, holding periods of seconds or less, and books run close to flat overnight.

The entire investment goes into shortening the loop between an event on the exchange and an order hitting the matching engine. Firms ingest raw, direct exchange feeds parsed in hardware; co-locate servers inside the exchange data centre with cable lengths equalised to the microsecond; fire pre-computed signals on book imbalance or correlated instruments; and post, amend or pull quotes — most messages are cancellations, not trades. Pre-trade risk limits and kill switches run in the same microsecond path.

Competitive edge is measured in nanoseconds and spent on infrastructure — microwave and laser links between data centres, FPGA network cards and exchange proximity fees — a fixed-cost arms race that concentrates the industry in a handful of private proprietary firms (Jane Street, Citadel Securities, Hudson River Trading, Jump, XTX, Virtu). HFT needs a continuous electronic order book, deep turnover, venue fragmentation and low tick size; it does not work in call-auction or broker-intermediated markets with thin turnover and wide spreads — which is why it is absent from a market like PNGX.

CORE HFT STRATEGIES

01 Electronic market making

Post simultaneous bids and offers, earn the spread and exchange rebates, and manage inventory continuously — the largest, most durable HFT revenue line.

02 Statistical arbitrage

Exploit short-lived mispricings between correlated instruments — an ETF against its basket, a future against the cash index, a dual-listed stock against its other line.

03 Latency / cross-venue arbitrage

Trade the same instrument across fragmented venues, acting on a price move at one before it reaches another — it depends entirely on being first.

04 Event & news-driven

Machine-read economic releases, filings and headlines, traded in the milliseconds before discretionary participants can respond.

WHAT WE’VE BEEN READING

EXTERNAL RESEARCH HIGHLIGHTS — BEYOND PNGX

FEATURED READ

What governments should do when food prices surge

IMF Blog • Amaglobeli, Cerda, Mogues & Tumbarello

Food security for millions — especially low-income households — is under renewed pressure from two forces: the prospect of a strong or ‘super’ El Niño disrupting harvests, and an escalation of the Middle East war that could lift fertilizer and energy costs (some fertilizer prices already jumped almost 50% around planting season). When prices rise, governments face immediate pressure to act, because in many countries' food is more than half of a family's spending. The record is sobering: the 2015–16 El Niño hit food security for about 60 million people, and the 2022 price spike pushed roughly 71 million into poverty within three months.

The policy question is which tool to use — subsidize prices, distribute food directly, or provide vouchers — because the wrong choice wastes scarce resources while failing to protect the vulnerable. A new IMF framework poses four questions: is food available; is affordability the problem; are markets functioning; and can beneficiaries be targeted? Price subsidies are quick and need little targeting capacity but are costly and often benefit richer households; the IMF advises they be exceptional, temporary and tightly circumscribed. Vouchers target better where administrative capacity exists; direct in-kind transfers are essential when food is physically unavailable but are costly and can undercut local producers if run too long.

JMP read: The read-through for PNG is direct. As a commodity exporter and net food importer with a large subsistence population, PNG is exposed to El Niño harvest shocks and imported-food inflation, with little fiscal space to respond. The IMF's discipline is the useful part: diagnose before acting, favor targeted, time-bound support over blanket subsidies, and build the targeting rails before the next shock — the food-and-fuel import bill stays a key swing factor for the kina.

ALSO ON OUR DESK

- A possible ‘super’ El Niño and a Middle East escalation are renewing global food-price pressure — IMF
- Four questions — availability, affordability, market function, targeting — pick the right tool — IMF
- Subsidies are quick but costly and poorly targeted; vouchers or in-kind aid often fit better — IMF

WHAT WE'VE BEEN READING

EXTERNAL RESEARCH HIGHLIGHTS — BEYOND PNGX CONTINUE

FIGURE — RECENT FOOD SHOCKS

Food accounts for a larger share of spending in lower-income countries

Food spending as a share of GDP (x-axis) versus share of total consumer spending (y-axis), by income group

Source: IMF staff calculations using data from the U.S. Department of Agriculture (USDA); IMF Blog, "What Governments Should Do When Food Prices Surge", 17 Sep 2026. Data points digitized from the published chart; values are approximate.

WHAT THE DATA SHOWS

2 – 13%

Advanced economies: food as a share of GDP; roughly 6–23% of consumer spending

20 – 35%

Low income developing countries: share of GDP; roughly 30–56% of consumer spending

Emerging markets span the middle of the range, with the widest dispersion.

CONTACT & DISCLAIMER

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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, K8.42m value (+151% pw)
- Dividend yields — market-wide LTM 5.28% (down 3bps; more 2026 interims rolled in)
- Results week — CCP, CPL & NGP half-year results; KSL dividend; Independence Day
- BPNG T-Bill auction — over-subscribed by K22.86m (all tenors covered)
- BPNG bond auction — most recent (no new issuance this week)
- Investor Education — High-Frequency Trading
- External research — IMF on food-price shocks

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