

# Media Release



## KINA SECURITIES SHARE INDEX SURPASSES RECORD

The Kina Securities index has surged past the high 4700 mark, making it the second record in a week.

At the close of trade on the Port Moresby Stock (POMSoX) exchange on Wednesday, 20 June 2007, the KSi recorded a new high at 4,787.21, soaring past record of the previous day at 4,678.31.



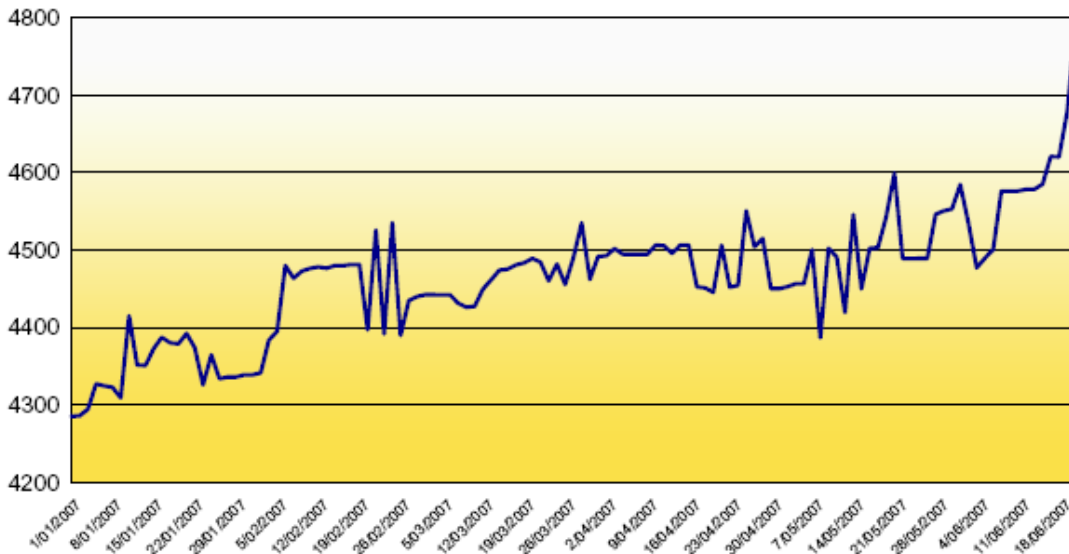
™ Kina Securities Share Index

### Kina Securities Share Index

POMSoX Market Graph

01 January 2007 - 20 June 2007

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The increase in the index yesterday was a result of:

- **Lihir Gold** gaining K0.40 to close the day at **K7.00**
- **Minerals Corporation** gaining K0.01 to close the day at **K0.07** and,
- **Oil Search Limited** gaining K0.04 to close the day at **K8.25**

The KSi was launched on October 29, 2003 to track the price performance of stocks listed on POMSoX. At the end of trade that day, the KSi was 1,926.86 with an aggregate market capitalization of K9.214 billion.

The KSi as at 20 June 2007 stands at 4,787.21 with an aggregate market capitalisation of 24.705 billion. That is a growth of 148.45% over a period of less than 4 years.

The KSi was tested over a two year period before its launch in 2003, and can be described as a real measuring stick that can be equated to business activities in PNG, providing a benchmark for comparisons with other stock exchanges across the world.

Kina Securities Limited, as a POMSoX member and share broker, had continued to see increased interest by local investors in POMSoX trading.

YEAR TO YEAR KSI % CHANGE		
YEAR	KSI AS AT END OF EACH TRADING YEAR	% CHANGE
2001	1,328.15	
2002	1,387.38	4.46
2003	1,939.72	39.81
2004	2,237.45	15.35
2005	3,546.46	58.50
2006	4,286.06	20.85
To date (20/06/2007)	4,787.21	11.69

The KSi is the barometer of economic performance of linked PNG companies.

The KSi is prepared using daily trade reports submitted by the POMSoX, which has been operating in PNG since 1999, playing an important role in stabilizing the economic reputation of PNG.

Though still in its infancy in comparison to the other indices, the KSi performance is a testimony to the confidence and growth in the locally listed stocks.

Indicators reflect continued stability, and Papua New Guinea growth of the past 4 consecutive years is forecast to continue into the year 2007.

Since 2003, there has been significant development in PNG's economy.

Entering the first quarter of 2007, employment has increased in all sectors by 8.6 percent, real GDP growth rose to an estimated 3.7 per cent, the Kina Facility Rate has been maintained at 6.0 percent and interest rates have remained low.

The Kina continues to strengthen against the US dollar, whilst a strengthening Australian dollar has seen the Kina depreciate. However, government debt has fallen sharply as a share of GDP, and foreign reserves have grown to more comfortable levels.

High world prices for key export commodities (oil, copper and gold) have clearly helped economic performance, and contributed to the significant fiscal and external current account surpluses.

The KSi performance reflects our country's development and recent strong performances in our mining, agriculture and tourism industries have lead to an increased consumer and investor confidence.

The following table information for the KSi time series data since its development.

<b>MONTH</b>	<b>CLOSING KSi</b>	<b>MARKET CAPITALIZATION</b>	<b>% CHANGE</b>
Oct-01	1,151.84	4,806,960,506	
Nov-01	1,269.33	5,297,290,150	10.20
Dec-01	1,328.15	6,021,235,050	4.63
Jan-02	1,587.25	7,199,367,593	19.51
Feb-02	1,629.18	7,405,843,270	2.64
Mar-02	1,510.46	7,700,994,286	-7.29
Apr-02	1,376.27	5,820,661,606	-8.88
May-02	1,507.84	6,468,292,988	9.56
Jun-02	1,626.61	6,978,042,896	7.88
Jul-02	1,353.91	5,810,784,330	-16.76
Aug-02	1,359.75	5,835,856,649	0.43
Sep-02	1,351.24	5,849,383,807	-0.63
Oct-02	1,309.60	5,686,768,091	-3.08
Nov-02	1,419.85	6,248,733,436	8.42
Dec-02	1,387.38	6,105,821,179	-2.29
Jan-03	1,677.64	7,386,314,017	20.92
Feb-03	1,620.71	7,165,307,451	-3.39
Mar-03	1,521.39	6,726,204,470	-6.13
Apr-03	1,492.20	6,597,167,391	-1.92
May-03	1,577.16	6,972,779,261	5.69
Jun-03	1,629.94	7,207,232,788	3.35
Jul-03	1,770.51	7,828,812,092	8.62
Aug-03	1,788.31	8,381,365,540	1.01
Sep-03	1,914.04	9,153,450,376	7.03
Oct-03	1,937.18	9,264,076,548	1.21
Nov-03	1,942.21	9,707,013,216	0.26
Dec-03	1,939.72	9,764,453,070	-0.13
Jan-04	2,074.04	10,447,467,297	6.92
Feb-04	2,112.01	10,692,474,909	1.83
Mar-04	2,029.64	10,275,916,089	-3.90
Apr-04	2,028.96	10,272,490,210	-0.03
May-04	2,017.34	10,276,996,063	-0.57
Jun-04	1,933.18	9,848,267,824	-4.17
Jul-04	1,919.67	9,815,757,818	-0.70
Aug-04	1,898.95	9,741,529,726	-1.08
Sep-04	1,948.45	9,995,475,446	2.61
Oct-04	2,090.76	10,725,486,235	7.30
Nov-04	2,237.45	11,478,001,849	7.02
Dec-04	2,237.45	11,478,001,849	Unchanged
Jan-05	2,348.23	12,046,320,991	4.95
Feb-05	2,754.48	14,130,327,756	17.30
Mar-05	2,936.13	15,062,202,516	6.59
Apr-05	3,015.70	15,470,393,815	2.71
May-05	2,842.20	14,580,339,037	-5.75

MONTH	CLOSING KSi	MARKET CAPITALIZATION	% CHANGE
Jun-05	2,928.64	15,080,194,893	3.04
Jul-05	3,006.69	15,482,076,583	2.67
Aug-05	3,336.95	17,182,681,272	10.98
Sep-05	3,467.61	17,855,479,598	3.92
Oct-05	3,522.22	18,136,689,703	1.57
Nov-05	3,505.49	18,050,536,959	-0.47
Dec-05	3,546.46	18,261,487,824	1.17
Jan-06	3,903.65	20,100,715,639	10.07
Feb-06	3,996.18	20,577,213,892	2.37
Mar-06	3,999.72	20,595,407,916	0.09
Apr-06	4,330.23	22,297,299,882	8.26
May-06	4,442.63	22,876,056,851	2.60
Jun-06	4,365.01	22,476,365,653	-1.75
Jul-06	4,383.94	22,573,849,336	0.43
Aug-06	4,465.40	22,993,322,151	1.86
Sep-06	4,201.70	21,635,464,774	-5.91
Oct-06	4,194.59	21,598,832,742	-0.17
Nov-06	4,213.86	21,746,326,462	0.46
Dec-06	4,286.06	22,118,921,562	1.71
Jan-07	4,338.90	22,391,616,241	1.23
Feb-07	4,439.96	22,913,156,275	2.33
Mar-07	4,491.84	23,180,906,117	1.17
Apr-07	4,450.26	22,966,305,990	-0.93
May-07	4,584.57	23,659,437,900	3.02
To date (20/06/2007)	4,787.21	24,705,193,160	4.42

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