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## What is the Port Moresby Stock Exchange?

The Port Moresby Stock Exchange Ltd (POMSoX) was established and registered as organization under the Companies Act 1997. POMSoX was granted a license to operate a stock market under the Securities Act 1997. The PNG Securities Commission is the overall regulator of the Securities Market. POMSoX is responsible for running and maintaining the independent operations of the stock market. Its primary task is to ensure integrity in its systems and provide confidence to investors and market participants. Port Moresby Stock Exchange Limited (POMSoX) like any other stock exchange around the globe has been established to meet and serve two fundamental aims:

- To provide an avenue for companies to raise funds for growth and expansion through the issue of shares to the public.
- To provide an opportunity for investors to invest their surplus funds into productive areas of the economy through the investment in shares of publicly listed companies.

## What companies are listed on the Port Moresby Stock Exchange?

On the Port Moresby Stock Exchange there are twenty one (19) listed securities which investors can buy and sell shares from. These companies are:

Year Listed	Company Name	Ticker Symbol	Primary Listed	Secondary Listed	Industry	Comments
1999	Oil Search Limited	OSH	ASX	POMSoX	Oil & Gas	Dual Listed – Compliance Listing
	Steamships Trading Limited	SST	ASX	POMSoX	Shipping hotel management	Dual Listed – Compliance Listing
2000	Cue Energy Limited	CUE	ASX	POMSoX	Oil & Gas	Dual Listed – Compliance Listing
	New Guinea Energy Limited	NGE	ASX	POMSoX	Oil & Gas	Dual Listed – Compliance Listing
	Highlands Pacific Limited	HIG	ASX	POMSoX	Mineral Exploration	Dual Listed – Compliance Listing
	Interoil Corporation Limited	IOC	NYSE	POMSoX	Oil & Gas	Dual Listed – Compliance Listing
	New Britain Palm Oil Limited	NBO	LSE	POMSoX	Agribusiness	Dual Listed – Compliance Listing
2002	Credit Corporation Limited	CCP	POMSoX		Financials	Compliance Listing
	City Pharmacy Limited	CPL	POMSoX		Food & Produce	Compliance Listing
2003	Bank South Pacific Limited	BSP	POMSoX		Financials	Compliance Listing
2008	Airlines PNG Limited	CGA	POMSoX		Aviation	IPO - K110m
	Coppermoly Limited	COY	ASX	POMSoX	Exploration	Dual Listed – Raise K4m upon listing
	Kina Asset Management Limited	KAM	POMSoX		Financials	IPO - Raised K5m
2009	New Guinea Island Produce Co. Limited	NGP	POMSoX		Agribusiness	Compliance Listing
	BSP Notes	BSPBHA	POMSoX		Debt Security	IPO - Raised K7.5m

## Where can I find the listing rules for the Port Moresby Stock Exchange?

Refer to the Port Moresby Stock Exchange (POMSOX) website

[http://www.pomsox.com.pg/listing\\_rules.aspx](http://www.pomsox.com.pg/listing_rules.aspx)

## How can I buy and sell shares on the Port Moresby Stock Exchange?

All stocks listed on the POMSoX Market can only be bought and sold through a broker. In order to buy and sell shares on the Port Moresby Stock Exchange a Stockbroker is licenced to trade shares. Therefore, there are two stockbrokers licenced to buy and sell on behalf of investors in PNG

- Kina Securities Limited
- BSP Capital Limited

## What are the trading hours for the Port Moresby Stock Exchange?

The trading hours on the POMSOX is from 10 am to 4pm, Monday to Friday and the medium of currency used is PNG Kina (K). POMSoX operates as an auction market; that is buyers (via their stockbroker) can bid for there's at a price directly on the market, and sellers can offer directly.

## Are foreigners allowed to buy shares in companies listed on Port Moresby Stock Exchange?

Both foreigner and ordinary Papua New Guineas are allowed to trade on the Port Moresby Stock Exchange. POMSOX provide a medium for the mobilization of national and international capital.

## How safe are shares to invest in?

Just like any other investments, there are risks that you have to consider when investing in stocks. Shares are not guaranteed in price, and prices can go up and down. Past performance is no indication of the future performance, and there is the risk of 100% lows on your investment. Share investing is not for everyone and you should seek advice from an expert before investing. If you are to invest in shares, one of the most important principles in investment is that of **Diversification**. The age-old say investment wisdom "*do not put all your eggs in one basket*" simply means to spread your risk in different categories of stocks. The companies listed on the stock exchange can be categorized into different group according to the economic sector they operate in. The principle risk investors take in investing in shares is that of price uncertain or the volatile nature of stocks, i.e., the sudden rise and fall of shares prices.

## What are shares?

Shares are equities or part ownership in a company. When you buy shares, you buy part ownership of the company's business and become shareholder of that company. In return, you have a claim to the company's earnings (through dividend payments) and assets as well as any voting rights attached to the stock. You can exercise your voting right at the company's Annual General Meeting (AGM). Shares that have been issued to investors by a listed company can be sold to others investors in the Stock Exchange. In this way, shareholders can realise capital gains if the share price risen – in other words, make a profit by selling their shares for more than they paid for them. Shareholders can also make a loss if the stock price falls.

## What are dividends?

Dividend is the distribution of part of a company's net profit to shareholders as a reward for investing in the company. This is usually expressed as a percentage of the par value or as toea per share.

## How can I open an account with Kina Securities Limited?

By filling in Kina Securities Limited application form link

<http://www.kina.com.pg/kina-securities/stock-broking/>

## Can Kina Securities advise me on which shares to buy?

Kina Securities Limited can assist you by recommending stocks that best suits your investment objective, financial situation and particular needs. Kina Securities Limited is constantly in touch with domestic and international financial institutions and markets and is aware of trends and changes which may influence the performance of various investments. As an established broker with over 25 years of stock broking in PNG, Kina Securities Limited has the experience and knowledge to provide professional investment advice.

## What documents do you need before I can open a share trading account with Kina Securities Limited?

The document need in open a share trading account is in this link

<http://www.kina.com.pg/kina-securities/stock-broking/>

## What is a dual listed company?

When a company's securities are listed on more than one exchange for the purpose of adding liquidity to the shares and allowing investors greater choice in where they can trade their shares.

## If I buy shares in a dual-listed company that are listed on the Port Moresby Stock Exchange and the Australian Stock Exchange (ASX) can I buy on one exchange and later transfer to be registered on the other exchange?

Yes, in Papua New Guinea, investors can buy or sell shares on the Port Moresby Stock Exchange (POMSoX) or on the Australian Stock Exchange (ASX). At Kina Securities Limited, we can structure a shares portfolio that may include stocks on both exchanges depending on your investment objectives, financial situation and your particular needs. Some companies listed on the POMSoX are dual listed, meaning they are listed on both the POMSoX and the ASX. Shareholders in dual listed companies can sell on either exchange they choose to gain on market discrepancies. Interested buyers can also purchase dual listed stocks from both markets.

## Does Kina Securities offer share trading in shares only on Port Moresby Stock Exchange or do you offer trading in other markets also?

Kina Securities Limited offer share trading in shares on both the POMSoX and the ASX. There are 19 securities listed on the POMSoX and more than 1000 securities on the ASX from which investors can purchase stocks. Some securities listed on the POMSoX are dual listed, meaning they are listed on both the POMSoX and the ASX or any other exchange.

## What services are offered by Kina Securities Limited?

Kina Securities Limited provides a full service entailing client advice, corporate advice, investment planning and retirement planning. We have a high-class research facility through our association with RBS Morgans, and with access to the local market (POMSoX) and the world market (Australian Stock Exchange), we offer the type of stockbroking that is second to none.

## How much does Kina Securities Limited charge in brokerage? Is there a minimum?

The fees charged for brokerage is in this link

<http://www.kina.com.pg/kina-securities/stock-broking/>

## What is the minimum amount to buy shares?

Really, there is no minimum amount one could use to buy shares. The prices of shares vary for different companies listed on the market. The minimum will depend on the type and cost of shares an investor is willing to buy. Consult your stockbroker, who will assist you in this area.

## How do I find and monitor a share price for a company?

Shares prices of companies listed on the market can be found in the local newspapers in the business column or on the POMSoX Website at <http://www.pomsox.com.pg>. Up to the minutes prices can be obtained from the brokers or the Exchange.

## How can I follow the performance of Listed Companies?

Companies listed on the Exchange are required under the Listing Rules to make timely announcements about their activities in order to ensure that a fully informed market is maintained. This information is sent to all investors via mass media.

## After buying shares, what do I do with shares or when can I sell shares?

Once you purchase shares, you can sell them anytime you wish. Normally, investors buy shares at a lower price and sell when the prices are good or at a higher price than the price at which these shares were bought. People also sell their shares when they need extra funds for other needs. It depends on the investors' preference for income, capital gain or security.

## How many stockbrokers are there in PNG and who are they?

Currently we have only two licensed Stockbrokers, and they are Kina Securities Limited and BSP Capital Limited

## Can I buy and sell shares on my own instead of using the Stockbroker?

No, only people who are licensed to act as a Stockbroker have access to the use of the POMSoX market. There was stringent rules that must be comply with in order to be granted a license by the Securities Commission and of course to be a member of POMSoX

## How often can I receive dividends?

Dividends are paid out to shareholders of a company after the company declares its profit for a financial year. Dividends are distributed evenly among all ordinary shareholders. Dividends are usually paid once a year. However, it must be noted that not all listed companies pay dividends. Before an investor buys shares in a listed company, he or she must check to confirm if the company does pay dividends and the frequency of these payments.

## What is a Float, or Initial Public Offering (IPO)?

The word float is used when a company seeks to raise capital by offering its shares to the public for the first time. The company must first submit details of its business and proposed share issue to the Securities Commission in a form of a prospectus. Once the prospectus is lodged and is registered and approved by the Securities Commission. It can then be forwarded to potential investors for consideration. If you wish to invest in the company, you must first review the prospectus, fill in the attached application form specifying the number of shares you want to buy, and send it with your payment to the company or lodge it with your broker or agent.

## What is a Share Registry?

All companies listed on the Stock Exchange must maintain a share registry. A Share Registry is an organization that registers details of buyers of shares in a company and issues new certificates to the buyers and removes the previous holders of shares in the company when these investors sell off their sell. All information from listed companies is distributed by the registry on behalf of the company to shareholders. Some companies act as registry for their own shares and shareholders, while others employ a specialist registry company, such as PNG Registries.

## What is Kina Security Index (KSi) and Kina Securities Home Index (KSHi)?

The Kina Securities Index (KSi) and Kina Securities Home Index (KSHi) are two stock market indices calculated by Kina Securities Limited for monitoring the share price movements of the Port Moresby Stock Exchange (POMSoX). These indices are market capitalisation weighted but not freefloat adjusted. That is the movement of the individual stocks in the index are weighed the market capitalisation (number of shares outstanding x Current Market Price). Some indices adjust the number of shares with those that are freely floating as opposed to held by a major shareholder. The weightings as at 25th February 2013 are as per the tables at le/. They are also not accumulation indices (including dividends) but rather simple price indices. The two indices differ in that:

- The KSi includes shares that are also dual-listed with stocks on foreign exchanges including the Australian Stock Exchange. Hence there is a strong weighting to the movement of Newcrest Mining (NCM) and Oil Search (OSH) which together constitute 83.6% of the KSi.
- The KSHi includes shares that are traded on the POMSoX only or principally focussed on PNG activities. Hence there is a strong weighting to the movement of the Bank of South Pacific and New Britain Palm Oil which together constitute 85.9% of the KSHi.

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