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Market Snapshot

COMMODITIES INDICES

New York (Jan 13)		
Dow Jones	19,885.73	-5.27
Transport	9,202.34	57.87
Utilities	656.78	-0.99
Stocks	19,885.73	-5.27

London (Jan 13)

FT-SE 100 Share Index
7,337.81 (previous 7,290.49)

Australia (Jan 13)

All Ordinaries	5,776.80	-44.80
S&P/ASX200	5,721.10	-45.80

Gold

(Jan 13) US dlrs per ounce		
London close	1143/1132.32	
New York close	1132.8-1144.4	

Silver

London (Jan 13) - US cents per troy ounce		
14.86		(14.97)

Copper - London (Jan 13)

Higher grade 5465.00	(previously 5530.00)
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Oil

New York (Jan 13- WTI Cushing)		
52.37		(previously 52.25)

Coffee

New York (Jan 13)	127.35
London (Jan 13)	1632

Cocoa

New York (Jan 13)	3366
London (Jan 13)	2107

EXCHANGE RATES (Jan 13)

BPNG selling notes against major currencies:	
US \$	0.3075
Aust \$	0.4076
GB Pound	0.2507
Euro	0.2856
NZ \$	0.4307
Japan Yen	34.91
Sing \$	0.4237

POMSOX STOCKS (Jan 13)

BSP	9.00	10.00	9.00
Credit Corp	0.00	1.88	1.88
CGA	0.00	0.15	0.15
Coppermolly	0.00	0.00	0.10
City Pharmacy	0.00	1.00	1.00
H'lands Pacific	0.00	0.00	0.19
InterOil Corp	0.00	0.00	90.00
Kina Asset Man	0.00	0.95	0.97
Kina Petroleum	0.00	0.00	0.40
Kina Securities	2.70	0.00	2.70
Newcrest Mining	0.00	0.00	46.00
NGI Produce	0.00	0.60	0.60
Niuminco	0.00	0.00	0.02
Oil Search Ltd	17.45	20.00	17.50
Steamships Ltd	0.00	0.00	5.00
Debt (Securities)			
BSPHA	0.00	0.00	27000

\$A rallies as US dollar loses ground

SYDNEY: The Australian dollar has rallied amid further weakness in the greenback, amid concerns about US President-elect Donald Trump's economic plans. The local currency was trading at 74.95 US cents at 0702 AEDT on Friday, up from 74.69 US cents on Thursday. It hit 75.19 US cents just after midnight. Westpac senior market strategist Imre Speizer said the US dollar fell further on investor concerns about an "absence of information regarding promised fiscal stimulus" following Mr Trump's first press conference in six months.



SEPE/Auti village community representative Fred Awai signing the CMCA agreement while OTML Community relations manager Kuam Sanewai and Sepe/Auti village chairman Gilton Susua look on.

South Fly village signs CMCA deal

SEPE/AUTI a very remote village in the South Fly Area of the Western Province has just signed off on the Community Mine Continuation Agreement Extension Agreement (CMCAEA).

The signing ceremony took place last Friday at Sepe/Auti village.

The event was significant in that while the CMCA was signed off on in 2001 and following intense negotiations with the communities affected by the OK Tedi Mine's operation, allowing the mine to continue its operations following the exit of BHP Billiton.

The CMCA was enacted and passed on December 18 that year-as the Mining [OK Tedi Mine Continuation (Ninth Supplemental) Agreement] Act 2001 giving legal effect to the establishment of the Trust and the compensation package agreed to during

the negotiation process.

In turn, committing OTML to making annual payments as agreed with the communities in cash, investments and for village and regional development projects through their respective Trusts of which there are a total of nine.

While Sepe/Auti village was part of the initial CMCA consultations in 2001, it had not signed off for its own reasons and only 157 villages had. Coming on board last Friday it had brought the total number of villages that are now party to this agreement to 158.

OK Tedi Mining Limited (OTML) deputy chief executive officer and general manager employee and external relations, Musje Werror in welcoming the people of Sepe/Auti to the CMCA community urged that they put the past behind them and

focus on the future.

"This agreement is powerful, it signifies the communities desire to be part of the CMCA family and to participate in development activities in the region," he said.

He had urged the people of Sepe/Auti to work with OTML, OK Tedi Development Foundation and the provincial government if they want real change in the villages.

"To achieve sustainable development is not easy but it can and will happen if we all work together.

"There will be disagreements along the way but we must never lose focus of our dream and our desire to develop our village, our region and our province.

"This is what the CMCA is all about and I thank the community for making this important decision to sign the agreement," he said.

Court cases delay service delivery

SINCE 1982 to December 2016, Western Province has received from Ok Tedi Mining Limited (OTML) benefits to the tune of over K9.8 billion.

However, almost 50 per cent of these funds (K4 billion) are currently tied up in the courts.

This was from OTML's deputy chief executive officer and general manager employee and external relations Musje Werror and to the people of Sepe/Auti, a remote village in the South Fly area.

He said the majority of the funds are in the PNG Sustainable Development Program (PNGSDP) long term funds and K271 million is in trusts for the Community Mine Continuation Agreement (CMCA) region and similar amount for the non-CMCA regions.

"The South Fly Bagari Court case has frozen the WPPDTA and all four South Fly CMCA Trust funds since 2014. This will bring the delivery of project to Sepe/Auti," Mr Werror said.

He said three years ago OK Tedi Development Foundation (OTDF) and the Fly River provincial government had prepared an educational support program to improve education in the CMCA corridor using the WPPDTA.

He said the program had been approved by the OTDF board. However, he said this had been put on hold pending the outcome of the South Fly court case.

Mr Werror added that he hoped the court case would be resolved before the end of 2017.

He said with the funding to the tune of K32 million, which was not tied in the courts, OTDF with the support of the National Health Department had made grounds, improving the health status of the province.

OTML to execute Strategic Business Plan in 2017

OK Tedi Mining Limited (OTML) is well poised for the challenges that lie ahead in 2017.

This is from OTML deputy chief executive officer and general manager employee and external relations Musje Werror.

Mr Werror was giving the OTML's challenges for 2016 and outlook for 2017 during the signing ceremony of the Community Mine Continuation Agreement Extension Agreement (CMCAEA) in Sepe/Auti village last Friday.

The villages who turned

up in numbers for the event heard that the last few years, and especially 2016, had been very tough years for OTML.

He said world prices since 2014 for copper and gold had dropped, while also the ore grade and subsequently the company had to make some tough decisions including reducing its workforce by 2250 to 1500 and its operational costs.

He said in 2015 the firm had to suspend operations in August due to the dry weather forced on by the El-Nino for seven months. However, it resumed production on March

1, 2017. "More than a quarter of the planned copper production in 2016 was to come from the centre pit, but with the loss as an ore source due to a failure on the Westwall, OTML's mining plans were significantly impacted.

"The mine with the support of other business developed and implemented contingency plans to recover from this set back," he said.

He said with the strong focus that the company had on cost containment and structural changes, though tough, had enabled the company to weather the challenges thus

resulting in the firm restoring its position as one of the lowest copper producers.

Other challenges he said the firm experienced in 2016 included the transition from a semi-residential to a full-on fly in fly out, fewer rosters and panels, tighter management of supply and services contracts.

Nevertheless, it was not only operating profitably but also declaring and paying out a dividend of K150 million in 2016, the first since 2014.

He said of this, one third or K50 million will be paid to mine villages and Communi-

ty Mine Continuation Agreement (CMCA) landowners and the Fly River provincial government following the agreement on the additional equity granted by the National Executive Council.

"This has been a major turnaround for OTML under the leadership of the managing director Peter Graham with the support from the management team and the workforce," Mr Werror said.

He said in 2017 the company would execute its Strategic Business Plan which he said would enable OTML to continue operating profitably

in a low metal price environment and generate value.

He also highlighted that a new OK Tedi Environmental Management Act is currently being drafted which will replace the current environmental regime. This is expected to come into effect also this year.

It will also continue to foster good relations with the mine-impacted communities particularly the CMCA communities, Fly River Provincial Government and the State.