

Money Market Insight

Modest increase recorded for government papers...

Term (days)	Current	Previous	Trend
Bank South Pacific Limited (PNG)			
30	0.20%	0.20%	0.00%
60	0.40%	0.40%	0.00%
90	0.60%	0.60%	0.00%
180	1.00%	1.00%	0.00%
365	1.50%	1.50%	0.00%
BSP Finance			
30	0.25%	0.25%	0.00%
60	0.50%	0.50%	0.00%
90	1.00%	1.00%	0.00%
180	1.25%	1.25%	0.00%
365	1.75%	1.75%	0.00%
ANZ Bank (PNG)			
30	0.05%	0.05%	0.00%
60	0.10%	0.10%	0.00%
90	0.50%	0.50%	0.00%
180	0.70%	0.70%	0.00%
365	1.50%	1.50%	0.00%
Westpac Banking Corporation (PNG)			
30	0.05%	0.05%	0.00%
60	0.05%	0.05%	0.00%
90	0.05%	0.05%	0.00%
180	0.20%	0.20%	0.00%
365	0.30%	0.30%	0.00%
Credit Corporation Limited (PNG)			
30	1.35%	1.35%	0.00%
60	1.85%	1.85%	0.00%
90	2.80%	2.80%	0.00%
180	4.20%	4.20%	0.00%
365	5.50%	5.50%	0.00%
First Investment Finance Limited			
30	1.25%	1.25%	0.00%
60	1.35%	1.35%	0.00%
90	1.50%	1.50%	0.00%
180	3.50%	3.50%	0.00%
365	5.50%	5.50%	0.00%
Heduru Moni Ltd-Moni Plus			
30	1.00%	1.00%	0.00%
60	1.50%	1.50%	0.00%
90	3.00%	3.00%	0.00%
180	4.00%	4.00%	0.00%
365	5.00%	5.00%	0.00%

The Central Bank issued K514m under the Central Bank Bills (CBB) for its 28 & 63 days instruments with rates higher than last week. Under the Treasury bill (T-bill) auction, a total of K146.38m was offered in 182, 273 & 364 days. T-bill rates for the 273 and 364 days edged higher, while the 182 days term remained unchanged.

The CBB auction was over-subscribed by K65.5m whilst T-bill saw an under-subscription of K38.5m. On the secondary Market, T-bill Tap rates soared for most terms.

The Weighted Average Rates (WAR) was positive for all the terms. The tender announcement has already being released for Treasury Bond (GIS) and the next GIS auction is due on the 18th of August, 2017.

BSP unsecured notes last traded at K25, 000 per note. The corporate bond offers a current yield of 11% p.a. All Term Deposit* rates quoted by financial institutions were steady. Meanwhile BSP Finance is currently not quoting to external customers.

Government Securities		Current	Previous	Trend		
Central Bank Bills	28 days	1.37%	1.36%	0.01%		
	63 days	2.35%	0.00%	2.35%		
	91 days	0.00%	0.00%	0.00%		
Treasury Bills	28 days	0.00%	0.00%	0.00%		
	63 days	0.00%	0.00%	0.00%		
	91 days	0.00%	0.00%	0.00%		
	182 days	4.74%	4.74%	0.00%		
	273 days	6.70%	6.68%	0.02%		
364 days	7.97%	7.96%	0.01%			
Treasury Bill Tap Facility	28 days	0.00%	0.00%	0.00%		
	63 days	2.35%	2.33%	0.02%		
	91 days	2.45%	2.45%	0.00%		
	182 days	2.75%	2.75%	0.00%		
	273 days	4.42%	4.40%	0.02%		
364 days	5.50%	5.49%	0.01%			
Treasury Bond Tap Facility (inscribed stock)	2 years	7.22%	7.22%	0.00%		
	4 years	7.98%	7.98%	0.00%		
	8 years	10.04%	10.04%	0.00%		
	10 years	10.89%	10.89%	0.00%		
Government Inscribed	Series	Coupon Rate	Buying Yields (Weighted Av.)			
	Stock	3 years	9.00%	9.48%	9.41%	0.07%
		5 years	10.50%	10.54%	10.51%	0.03%
		8 years	11.50%	11.54%	11.53%	0.01%
		11 years	12.50%	12.81%	12.65%	0.16%

Minimum Investment amount with BSP Capital is K100, 000.00

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