

## Money Market Insight

### Indicative rates remain unchanged as over-subscription continues for Central Bank Bills...

BPNG offered K284.5m in Central Bank Bills (CBB) while offering K214.84m under the Treasury bill (T-bill) auction. The CBBs were mostly offered in the 28 days term and the rate for the 28 day term remains unchanged. T-bills were issued for the following terms 91, 182, 273 & 364 days. There were no changes in the T-bill rates.

The CBB auction was over-subscribed by K30m as T-Bill experienced similar sentiment by K3.35m.

On the secondary Market, all Treasury Bill Tap rates and Treasury bond rates closed steady.

The Weighted Average Rates (WAR) was positive for all terms. The next GIS auction is due 19<sup>th</sup> of September, 2017. BSP unsecured notes were last traded at K25, 000. The corporate bond offers a current yield of 9.92% p.a. All Term Deposit\* rates quoted by financial institutions closed steady. Meanwhile BSP Finance is currently not quoting to external customers.

Term (days)	Current	Previous	Trend
<b>Bank South Pacific Limited (PNG)</b>			
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%
<b>BSP Finance</b>			
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%
<b>ANZ Bank (PNG)</b>			
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%
<b>Westpac Banking Corporation (PNG)</b>			
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%
<b>Credit Corporation Limited (PNG)</b>			
30	1.25%	1.25%	0.00%
60	1.65%	1.65%	0.00%
90	2.50%	2.50%	0.00%
180	3.85%	3.85%	0.00%
365	5.50%	5.50%	0.00%
<b>First Investment Finance Limited</b>			
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%
<b>Heduru Moni Ltd-Moni Plus</b>			
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%

Government Securities		Current	Previous	Trend	
Central Bank Bills	28 days	1.37%	1.37%	0.00%	
	63 days	0.00%	0.00%	0.00%	
	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	2.50%	0.00%	2.50%	
	182 days	4.74%	4.74%	0.00%	
	273 days	6.71%	6.71%	0.00%	
Treasury Bill Tap Facility	364 days	7.99%	7.99%	0.00%	
	28 days	0.00%	0.00%	0.00%	
	63 days	2.04%	2.04%	0.00%	
	91 days	2.12%	2.12%	0.00%	
Treasury Bond Tap Facility (inscribed stock)	182 days	2.75%	2.75%	0.00%	
	273 days	4.43%	4.43%	0.00%	
	364 days	5.52%	5.52%	0.00%	
	2 years	7.26%	7.26%	0.00%	
Government Inscribed Stock	4 years	8.04%	8.04%	0.00%	
	8 years	10.04%	10.04%	0.00%	
	10 years	10.88%	10.88%	0.00%	
	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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