

Money Market Insight

Government papers came out mixed as indicative rates remained steady.

In the auction last week BPNG issued K344.5m worth of securities in Central Bank Bills (CBB) securities in its 28 day term. The rate was steady. In Treasury Bills (T-Bills) a total of K91.38 m was auctioned for the 182,273 & 364 tenors. T-bills rates were steady for all the terms.

The CBB auction was fully subscribed while the T-bill witnessed an over-subscription of K8.39m.

On the secondary market, Treasury Bill Tap rate for the 273 day term slid 12 basis points to 4.3%, meanwhile the 364 day was up. The Treasury Bond Tap rate for the 2 and 4 year bonds increased 4 and 6 basis points respectively, as the 10 year bond fell by 1 basis point.

The Weighted Average Rates (WAR) was positive for all the terms. The next GIS auction is scheduled for the 19th of September, 2017.

BSP unsecured notes last traded at K25, 000. The corporate bond offers a coupon of 11.00% p.a. All Term Deposit* rates quoted by financial institutions closed unchanged. Meanwhile BSP Finance is still not quoting to external customers.

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	0.05%	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%
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%

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%	2.40%	-2.40%	
	91 days	0.00%	2.49%	-2.49%	
	182 days	4.74%	4.74%	0.00%	
	273 days	6.71%	6.71%	0.00%	
Treasury Bill Tap Facility	364 days	7.97%	7.97%	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%	
	182 days	2.75%	2.75%	0.00%	
Treasury Bond Tap Facility	273 days	4.30%	4.42%	-0.12%	
	364 days	5.50%	5.49%	0.01%	
	2 years	7.26%	7.22%	0.04%	
	4 years	8.04%	7.98%	0.06%	
Treasury Bond Tap Facility (inscribed stock)	8 years	10.04%	10.04%	0.00%	
	10 years	10.88%	10.89%	-0.01%	
	Government Inscribed		Buying Yields (Weighted Av.)		
	Stock	Series	Coupon Rate		
	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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