

Money Market Insight

Undersubscription continues for Treasury Bills...

Bank of PNG issued a total of K431.8m in CBB's for the 28 & 63 day tenors in the last week's auction, while K305.67m was offered in T-bills in its 182, 273 & 364 day terms. 364 day term T-bill climbed by 1bps to 8.05% while the rest remain unchanged.

Treasury Bills undersubscribed by K109.59m likewise Central Bank Bills by K17.2m in last week's auction.

On the secondary market, Treasury Bill Tap Facility for the 364 day tenor picked up by 1pbs to 5.70% while rates for Treasury bonds remained steady for the week.

Inscribe stock auctions for June 2018 saw 3 & 10 year papers up by 2bps and 1bps respectively. BSP unsecured notes last traded at K25, 000. The corporate bond offers a current yield of 10.61%. Meanwhile, Term Deposit* rates quoted by the financial institutions closed unchanged.

Term (days)	Current	Previous	Trend
Bank South Pacific Limited (PNG)			
30	0.30%	0.20%	0%
60	0.50%	0.40%	0%
90	0.70%	0.60%	0%
180	1.25%	1.00%	0%
365	1.60%	1.50%	0%
BSP Finance			
30	0.30%	0.30%	0%
60	0.50%	0.50%	0%
90	0.70%	0.70%	0%
180	1.20%	1.20%	0%
ANZ Bank (PNG)			
30	0.05%	0.05%	0%
60	0.10%	0.10%	0%
90	0.50%	0.50%	0%
180	0.70%	0.70%	0%
365	1.50%	1.50%	0%
Westpac Banking Corporation (PNG)			
30	0.05%	0.05%	0%
60	0.05%	0.05%	0%
90	0.05%	0.05%	0%
180	0.20%	0.20%	0%
365	0.30%	0.30%	0%
Credit Corporation Limited (PNG)			
30	1.30%	1.30%	0%
60	1.85%	1.85%	0%
90	2.85%	2.85%	0%
180	4.85%	4.85%	0%
365	5.75%	5.75%	0%
First Investment Finance Limited			
30	1.25%	1.25%	0%
60	1.35%	1.35%	0%
90	1.50%	1.50%	0%
180	3.50%	3.50%	0%
365	5.50%	5.50%	0%
Heduru Moni Ltd-Moni Plus			
30	1.75%	1.75%	0%
60	2.75%	2.75%	0%
90	3.75%	3.75%	0%
180	4.75%	4.75%	0%
365	6.00%	6.00%	0%

Government Securities	Term	Current	Previous	Trend
Central Bank Bills	28 days	1.40%	1.40%	0.00%
	63 days	2.35%	0.00%	0.00%
	91 days	0.00%	0.00%	0.00%
	182 days	0.00%	0.00%	0.00%
Treasury Bills	63 days	0.00%	0.00%	0.00%
	91 days	0.00%	0.00%	0.00%
	182 days	4.72%	4.72%	0.00%
	273 days	6.76%	6.76%	0.00%
Treasury Bill Tap Facility	364 days	8.05%	8.04%	0.01%
	63 days	2.01%	2.01%	0.00%
	91 days	2.04%	2.04%	0.00%
Treasury Bond Tap Facility (inscribed stock)	182 days	2.86%	2.86%	0.00%
	273 days	4.60%	4.60%	0.00%
	364 days	5.70%	5.69%	0.01%
	2 years	7.65%	7.65%	0.00%
	4 years	9.13%	9.13%	0.00%
	8 years	10.52%	10.52%	0.00%
	10 years	11.22%	11.22%	0.00%

Government Inscribed	Series	Coupon Rate	Buying Yields (Weighted Av.)		
Stock	3 years	9.00%	9.50%	9.48%	0.02%
	4 years	10.50%	10.48%	10.48%	0.00%
	7 years	11.50%	11.54%	0.00%	0.00%
	10 years	12.50%	12.58%	12.57%	0.01%

Minimum Investment amount with BSP Capital is K100, 000.00

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