

Money Market Insight

Undersubscription continues for T-Bills while rates for government securities remained flat...

Last week BPNG auctioned a total of K729.5m in CBB's for the 28 & 63 day tenors, while K240.38m was offered in T-bills across its 63,91,182, 273 & 364 day terms. All rates remained steady.

CBB came in over-subscribed by K36.3m, meanwhile Treasury Bills undersubscribed by K9.75m in the last week's auction.

On the secondary market, Treasury Bond Tap rates for 4, 8 & 10 year remained unchanged whilst Treasury Bill Tap for 182 days climbed 35bps to 2.86% as 63, 91,273 & 364 day terms remained flat.

Inscribe stock auctions for April 2018 had mixed results. BSP unsecured notes last traded at K25, 100. The corporate bond offers a current yield of 10.73% p.a. and is trading ex-interest. The next coupon is due 29th May, 2018. 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%	0.00%
60	0.50%	0.40%	0.00%
90	0.70%	0.60%	0.00%
180	1.25%	1.00%	0.00%
365	1.60%	1.50%	0.00%
BSP Finance			
30	0.30%	0.30%	0.00%
60	0.50%	0.50%	0.00%
90	0.70%	0.70%	0.00%
180	1.20%	1.20%	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	1.25%	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%
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	1.75%	1.75%	0.00%
60	2.75%	2.75%	0.00%
90	3.75%	3.75%	0.00%
180	4.75%	4.75%	0.00%
365	6.00%	6.00%	0.00%

Minimum Investment amount with BSP Capital is K100, 000.00

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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%	
Treasury Bills	63 days	2.36%	0.00%	0.00%	
	91 days	2.40%	0.00%	0.00%	
	182 days	4.72%	4.72%	0.00%	
	273 days	6.76%	6.76%	0.00%	
	364 days	8.04%	8.04%	0.00%	
Treasury Bill Tap Facility	63 days	2.01%	2.01%	0.00%	
	91 days	2.04%	2.04%	0.00%	
	182 days	2.86%	2.85%	0.35%	
	273 days	4.60%	4.60%	0.00%	
Treasury Bond Tap Facility (inscribed stock)	364 days	5.69%	5.69%	0.00%	
	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	4 years	9.00%	9.48%	9.46%	0.02%
	5 years	10.50%	10.48%	10.52%	-0.04%
	8 years	11.50%	0.00%	11.52%	0.00%
	10 years	12.50%	12.57%	12.75%	-0.18%

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