

## Money Market Insight

### Money market rates hold with undersubscriptions continuing for government papers.

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%

BPNG offered K250m in Central Bank Bills (CBB) for its 28 day term last week with the rates holding still. Meanwhile T-bill auction saw a total of K108.6m offered under its 182, 273 & 364 days. The 364 day T-bill rate increased to 8.01% up by 0.01%. Both CBB and T-bill auctions were under-subscribed by K20m and K48.5m respectively.

On the secondary market, Treasury Bill Tap mostly gained whilst the Treasury Bond rates closed unchanged. The Weighted Average Rates (WAR) results closed same on Tuesday's auction as the 11 year paper slid 4bps to 12.76%. Coupon rates closed unchanged. The next GIS auction is due November 21st, 2017.

BSP unsecured notes last traded at K25, 000. The corporate bond offers a current yield of 9.64% p.a. The notes are currently trading on an ex-interest status, with the payment date scheduled for the 30<sup>th</sup> November.

Meanwhile all Term Deposit\* rates quoted by financial institutions closed same. BSP Finance is currently not quoting to external customers.

Government Securities		Current	Previous	Trend
Central Bank Bills	28 days	1.40%	1.40%	0.00%
	63 days	2.35%	2.35%	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	0.00%	0.00%	0.00%
	182 days	4.73%	4.73%	0.00%
	273 days	6.76%	6.76%	0.00%
	364 days	8.01%	8.00%	0.01%
Treasury Bill Tap Facility	28 days	0.00%	0.00%	0.00%
	63 days	2.04%	2.04%	0.00%
	91 days	2.08%	2.07%	0.01%
	182 days	2.75%	2.74%	0.01%
	273 days	4.47%	4.48%	-0.01%
	364 days	5.53%	5.53%	0.00%
Treasury Bond Tap Facility (inscribed stock)	2 years	7.25%	7.24%	0.01%
	4 years	7.98%	7.98%	0.00%
	8 years	10.04%	10.04%	0.00%
	10 years	10.84%	10.84%	0.00%
Government Inscribed	Series	Coupon Rate	Buying Yields (Weighted Av.)	
Stock	4 years	9.00%	9.48%	0.00%
	5 years	10.50%	10.53%	0.00%
	8 years	11.50%	11.54%	0.00%
	11 years	12.50%	12.76%	-0.04%

Minimum investment amount is K100, 000 through BSP Capital Limited

#### BSP Capital Limited Contacts

Richard Borysiewicz	General Manager	3098504	<b>+675...</b>	<b>email:</b>
Willie Konga	Manager – Funds management	3098513	rborysiewicz@bsp.com.pg	
Michelle Koredong	Dealer – Money markets	3057804	wkonga@bsp.com.pg	
Marie Sourimant	Portfolio Administrator	3098530	mkoredong@bsp.com.pg	
			msourimant@bsp.com.pg	

**Disclaimer –**

This Research comprises general market information and does not take account of your objectives, financial situation or needs. Before acting on this general advice, you should consider the appropriateness of the advice having regard to your situation. We recommend you obtain financial, legal and taxation advice before making any financial investment decision. This information has been prepared for the use of the clients of the BSP Capital Limited (BSPCL) and must not be copied, either in whole or in part, or distributed to any other person. If you are not the intended recipient, you must not use or disclose this research in any way. If you received it in error, please tell us immediately by return e-mail and delete the document. We do not guarantee the integrity of any e-mails or attached files and are not responsible for any changes made to them by any other person. Nothing in this report shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any transaction. This report is based on information obtained from sources believed to be reliable, but BSPCL does not make any representation or warranty that it is accurate, complete or up to date. We accept no obligation to correct or update the information or opinions in it. Opinions expressed are subject to change without notice. The BSPCL accepts no liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. BSP Capital Limited produces a variety of research products, recommendations contained in one type of research product may differ from recommendations contained in other types of research. BSPCL has established and implemented a conflicts policy at group level, which may be revised and updated from time to time, pursuant to regulatory requirements; which sets out how we must seek to identify and manage all material conflicts of interest. BSP Capital Limited, its officers and employees may have conflicting roles in the financial products referred to in this research and, as such, may effect transactions which are not consistent with the recommendations (if any) in this research. BSP Capital Limited may receive fees, brokerage or commissions for acting in those capacities and the reader should assume that this is the case. BSP Capital Limited employees or officers may provide oral or written opinions to its clients which are contrary to the opinions expressed in this report