

Money Market Insight

The yield curve holds steady

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	0.10%	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	1.00%	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 issued a total of K439.5m in CBBs for the 28 & 63 day tenors and K282.75m for T-bills in its 182, 273 & 364 day terms in last week's auction. Rates were steady across the board.

The last week's auction saw CBBs under-subscribed by K21.5m while T-bills were over-subscribed by K64.26m.

On the secondary Market, both Treasury Bill Tap and Treasury Bond rates closed unchanged.

The Weighted Average Rates (WAR) results remained steady on Tuesday's auction as the 11 year paper slid **4bps** to 12.76%. Coupon rates for the fixed income segment 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 10.62% p.a. The notes are currently trading on an ex-interest status, with the payment date scheduled for 30th November. The notes are currently trading as ex-interest.

Meanwhile, all Term Deposit* rates quoted by financial institutions closed unchanged. 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%	8.01%	0.00%
Treasury Bill Tap Facility		28 days	0.00%	0.00%	0.00%
		63 days	2.04%	2.04%	0.00%
		91 days	2.08%	2.08%	0.00%
		182 days	2.75%	2.75%	0.00%
		273 days	4.47%	4.47%	0.00%
		364 days	5.53%	5.53%	0.00%
Treasury Bond Tap Facility (inscribed stock)		2 years	7.25%	7.25%	0.00%
		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 with BSP Capital is K100, 000.00

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