

Money Market Insight

Under-subscription continues for Treasury Bills...

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 auctioned a total of K180.12m in Treasury Bills in its 182, 273 & 364 days securities and K344.5m in Central Bank Bills (CBB) securities in its 28 days term last week. The rate for CBB 28 day tenor remained steady. 182 day T-bill fell by 0.01% while the rate for 364 day paper rose to 8.00%. The CBB auction came in over-subscribed by K5m last week, representing a third straight weekly over-subscription as T-bill saw an under-subscription by K51.05m, its second consecutive week of under-subscriptions.

On the secondary Market, Treasury Bill Tap Facility attracted mixed results with the 182 days tenor fell by 0.01% while the 364 tenor up at 5.53%. Treasury bond rates remained unchanged.

The Weighted Average Rates (WAR) attracted mixed results across on Tuesday's auction. Coupon rates closed unchanged amid the mixed results. The next GIS auction is due mid-October.

BSP Unsecured notes last traded at K25, 000. The corporate bond offers a current yield of 11% p.a. All Term Deposit* rates quoted by financial institutions closed same. Meanwhile BSP Finance is currently not quoting to external customers.

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%	0.00%	0.00%	
	91 days	0.00%	0.00%	0.00%	
	182 days	4.73%	4.74%	0.01%	
	273 days	6.71%	6.71%	0.00%	
Treasury Bill Tap Facility	364 days	8.00%	7.99%	0.01%	
	28 days	0.00%	0.00%	0.00%	
	63 days	2.04%	2.04%	0.00%	
Treasury Bond Tap Facility (inscribed stock)	91 days	2.12%	2.12%	0.00%	
	182 days	2.74%	2.75%	0.01%	
	273 days	4.43%	4.43%	0.00%	
	364 days	5.53%	5.52%	0.01%	
Treasury Bond Tap Facility (inscribed stock)	2 years	7.26%	7.26%	0.00%	
	4 years	8.04%	8.04%	0.00%	
	8 years	10.04%	10.04%	0.00%	
	10 years	10.88%	10.88%	0.00%	
	Government Inscribed	Series	Coupon Rate	Buying Yields (Weighted Av.)	
Stock	4 years	9.00%	9.50%	9.48%	0.02%
	5 years	10.50%	10.53%	10.54%	0.01%
	8 years	11.50%	11.54%	11.54%	0.00%
	11 years	12.50%	12.80%	12.81%	0.01%

Minimum Investment amount with BSP Capital is K100, 000.00

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