

364D paper slips further 3bps to 5.13%, as rates from banks and financial institutions remain steady.

- A total of K210.45m was offered for Treasury bill auctions with K180.45m in the 364 day segment.
- The total subscription was K439.12m representing an oversubscription rate of 2.09x.
- Graph 1.0 depicts the closing rates at the beginning of Jan and March 2022. The rates finished at 5.13% compared to 6.83% at the start of Jan 2022

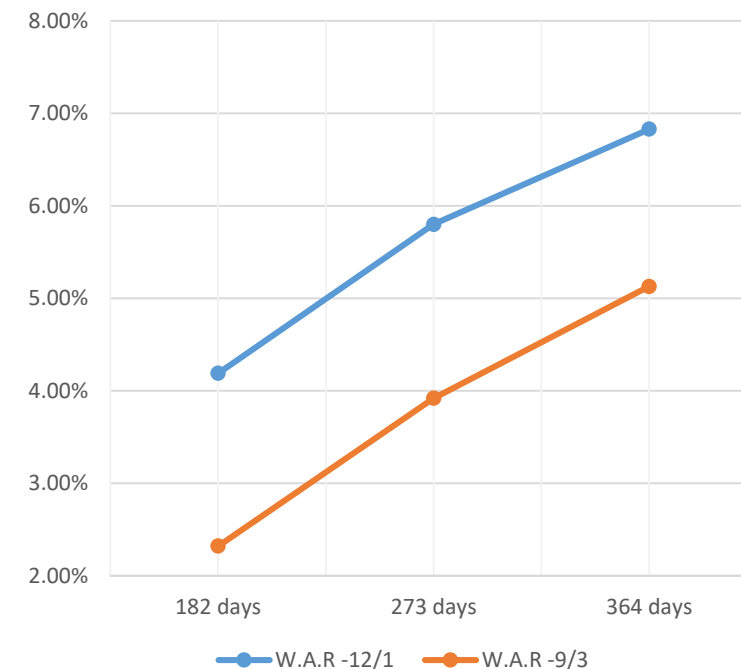
Table 1.0 – Previous auction results

Auction results 09 March 2022				
Terms	182 days	273 days	364 days	Total
W.A.Y -09/3	2.32%	3.92%	5.13%	
Amount on offer	10	20	180.45	210.45
Bids received	19.2	27.1	392.82	439.12
Successful bids	10	20	180.45	210.45
oversubscription rate	1.92	1.36	2.18	2.09

Auction results 02 March 2022				
Terms	182 days	273 days	364 days	Total
W.A.Y -02/3	2.36%	3.97%	5.16%	
Amount on offer	10	40	228	278
Bids received	17.1	45	472	534.1
Successful bids	10	40	228	278
oversubscription rate	1.71	1.13	2.07	1.92

Auction results 25 Feb 2022				
Terms	182 days	273 days	364 days	Total
W.A.Y -25/2	2.41%	3.98%	5.17%	
Amount on offer	10	20	269.88	299.88
Bids received	17.15	23.56	514.46	555.17
Successful bids	17.15	23.56	459.46	500.17
oversubscription rate	1.72	1.18	1.91	1.85

Graph 1.0 – yield curve showing movement in T-bills between Jan and March 2022



Money market insight

- The Central Bank have announce the trading for new TAP investments (BPPNG Bills and Bonds) is open effective 2nd March, 2022.
- Trading is to be done by electronic communication and payment modes only.
- Eligible Investors can participate in the Tap Investments.
- No change in the term deposit rates across the market.
- Investors will continue to seek yield as a hedge against inflation, with the latest estimates of inflation at 5.7%
- Cash investments also offer capital protection.

Table 2.0 – Financial institutions rates and short term government paper rates as at 23 Feb 2022

Issuer	Term & rates (Current)					Term & rates (Previous)					Change/movement						
	30	60	90	180	365	30	60	90	180	365	30	60	90	180	365		
Commercial banks																	
BSP	0.10%	0.10%	0.15%	0.60%	1.10%	0.10%	0.10%	0.15%	0.60%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%		
Kina Bank	0.75%	1.00%	1.25%	1.50%	1.75%	0.75%	1.00%	1.25%	1.50%	1.75%	0.00%	0.00%	0.00%	0.00%	0.00%		
Westpac (PNG)	0.10%	0.15%	0.25%	0.50%	1.00%	0.10%	0.15%	0.25%	0.50%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
ADIs																	
BSP Finance (PNG)	0.10%	0.10%	0.15%	0.60%	1.10%	0.10%	0.10%	0.15%	0.60%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%		
Credit Corporation (PNG)	1.00%	1.50%	2.50%	3.50%	4.60%	1.00%	1.50%	2.50%	3.50%	4.60%	0.00%	0.00%	0.00%	0.00%	0.00%		
Fincorp	1.50%	2.00%	3.00%	4.00%	5.10%	1.50%	2.00%	3.00%	4.00%	5.10%	0.00%	0.00%	0.00%	0.00%	0.00%		
Moniplus	1.75%	2.05%	3.05%	4.05%	4.25%	1.75%	2.05%	3.05%	4.05%	4.25%	0.00%	0.00%	0.00%	0.00%	0.00%		
First Investment Finance	1.00%	1.10%	1.25%	2.00%	4.50%	1.00%	1.10%	1.25%	2.00%	4.50%	0.00%	0.00%	0.00%	0.00%	0.00%		
Government Securities																	
Treasury bills (W.A.R)			182	273	364			182	273	364	0.00%	0.00%	-0.04%	-0.05%	-0.03%		
			2.32%	3.92%	5.13%			2.36%	3.97%	5.16%							
Central Bank																	
Central Bank bills (W.A.R)	28	63	91	182	28	63	91	182	28	63	91	182	-0.02%	1.81%	-0.01%	0.00%	0.00%
	1.07%	1.81%	1.79%	1.09%	1.80%												

Table 3.0 – Long dated government paper rates – last auction results in 2021

Issuer - GoPNG	Term & rates (Current)						
Term (years)	2	3	5	6	8	9	10
Treasury bonds (W.A.R)	8.50%	9.00%	9.70%		9.90%	9.90%	9.90%
<i>Auction results from 28/07/21</i>							
Issuer	Term & rates (Previous)						
Term (years)	2	3	5	6	8	9	10
Treasury bonds (W.A.R)	8.50%	9.00%	9.70%	9.80%	9.90%	9.90%	9.90%
<i>Auction results from 25/06/21</i>							
Change/movement							
Term (years)	2	3	5	6	8	9	10
Treasury bonds (W.A.R)	0.00%	0.00%	0.00%	-9.80%	0.00%	0.00%	0.00%

For more information on your bidding strategy, please contact the team on phone 309 8501 or email

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