

Treasury Bills (T-Bills) Results

'W.A.R for 364 days T-Bill remained stable at 8.23% whilst overall auction was oversubscribed by K39.200m'

- T-Bills are a short term debt strategy of the government.
- As at this week's T-bill auction, W.A.Rs for the 91,273 and 364 days tenors remained stable compared to last week's auction whilst the 182 days tenor recorded an upswing of 5bps to close the week at 6.05%.
- At this week's Tbill auction, the 91,182 and 273 days tenor recorded 100% successful bid rates whilst the 364 days tenor allocated 98% in bids received.
- The overall auction was oversubscribed by K39.200m which saw 81% of the oversubscriptions recorded under the 364 days tenor. The tenor recorded its third successive oversubscription for this month as at this week's auction.
- W.A.Rs across all tenors are anticipated to experience minimal movements in the coming auctions subject to market forces as evidenced in the past auctions.
- Total maturities across all tenors so far for the year stood at K4,600.41bn with total bids awarded to date at K5,198.68bn. A net gain of K598.27m by the central bank to mop up excess liquidity in the market.
- On year to date, T-Bills total amount offered stands at K4,601.11bn while total successful bids awarded is K5,198.68 bn, a difference of K597.57m.
- Graph 1.0 shows yield movement over a 12 month period for the 91, 182, 273 and 364 days Treasury Bills.

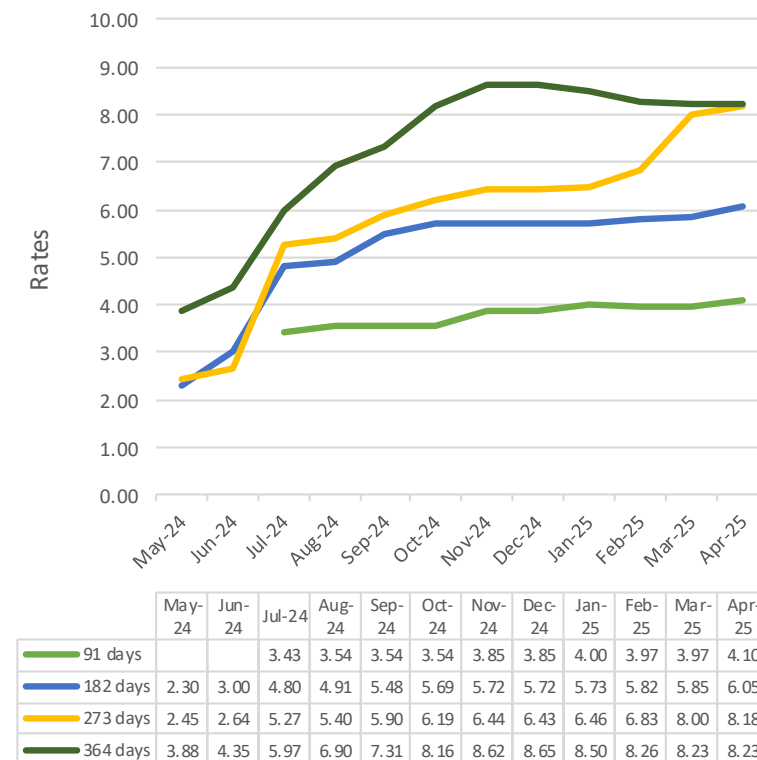
Table 1 – Last Three Auction Results

Auction Results 11 th April 2025					
Terms	91 days	182 days	273 days	364 days	Total
W.A.R ¹	4.10%	6.05%	8.18%	8.23%	
Amount on offer (K'm)	10.000	10.000	20.000	202.900	242.900
Bids received (K'm)	1.000	4.000	47.000	230.100	282.100
Successful bids (K'm)	1.000	4.000	47.000	225.100	277.100
Successful bid rate ²	100%	100%	100%	98%	98%

Auction Results 04 th April 2025					
Terms	91 days	182 days	273 days	364 days	Total
W.A.R ¹	4.10%	6.00%	8.18%	8.23%	
Amount on offer (K'm)	10.000	10.000	20.000	226.900	266.900
Bids received (K'm)	10.000	10.000	22.500	320.850	363.350
Successful bids (K'm)	10.000	10.000	22.500	320.850	363.350
Successful bid rate ²	100%	100%	100%	100%	100%

Auction Results 28 th March 2025					
Terms	91 days	182 days	273 days	364 days	Total
W.A.R ¹	3.97%	5.85%	8.00%	8.23%	
Amount on offer (K'm)	10.000	10.000	20.000	268.370	308.370
Bids received (K'm)	2.000	2.520	29.000	478.000	511.520
Successful bids (K'm)	2.000	2.520	29.000	428.000	461.520
Successful bid rate ²	100%	-	100%	48%	51%

Graph 1.0 - Yield curve showing 12-months Tbill rates movement.



¹ W.A.R = Weighted Average Rate

² Successful bid rate = Successful bids / Bids received

³ Basis Points; 100 bps = 1%

Treasury Bonds (Government Inscribed Stock - GIS)

'GIS auction for this week undersubscribed by K39.000m'

- Government Inscribed Stocks (GIS) are a long term debt strategy utilized by the government to finance the deficit budget.
- GIS issuance for this week offered K50.000m as the auction was undersubscribed by K39.000m. The GIS auction recorded its sixth consecutive undersubscription for the year in this week's auction since its first issuance.
- This week's auction saw coupon rates for all tenors across remained stable similar to previous auction results. Coupon rates have remained stable for five consecutive auction.
- At this week's GIS auction, *W.A.Rs* for all tenors remained stable compared to last auction results except for the four (4) year tenor which recorded an upswing of 5bps to close at 9.08%.
- The Government has raised K789.63million since opening of the year, 2025, which makes up 92% of the net domestic borrowing.
- National Budget for 2025 was tabled last year on November 29th with a total expenditure expected to be at PGK28.4billion. Total Revenue to finance this Budget will be PGK25.4billion, with a forecasted fiscal deficit of PGK2.9billion.
- The Government plans to finance the deficit of PGK2.9billion through net domestic borrowing of PGK861million and net external borrowing of PGK2.1billion.

Table 2 – 2024 GIS Auction Results & Change in Rates

Auction results as at 11 th April 2025										
Issuer	Term & rates (Current)									
Term (years)	2	3	4	5	6	7	8	9	10	
Treasury bonds (GIS)	Coupon	8.50%	-	8.90%	9.00%	9.10%	9.20%	9.30%	9.40%	9.50%
	Weighted Average Rates	8.63%	-	9.08%	9.15%	9.10%	9.10%	9.30%	9.40%	9.50%
Auction results as at 04 th April 2025										
Issuer	Term & rates (Current)									
Term (years)	2	3	4	5	6	7	8	9	10	
Treasury bonds (GIS)	Coupon	8.50%	-	8.90%	9.00%	9.10%	9.20%	9.30%	9.40%	9.50%
	Weighted Average Rates	8.63%	-	9.03%	9.15%	9.10%	9.10%	9.30%	9.40%	9.50%
Change in Results										
	Change/movement									
Term (years)	2	3	4	5	6	7	8	9	10	
Treasury bonds (GIS)	Coupon	0.00%	-	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Weighted Average Rates	0.00%	-	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Fix Rate Full Allotment Auction (FRFA) & Financial Institution Term Deposit Rates

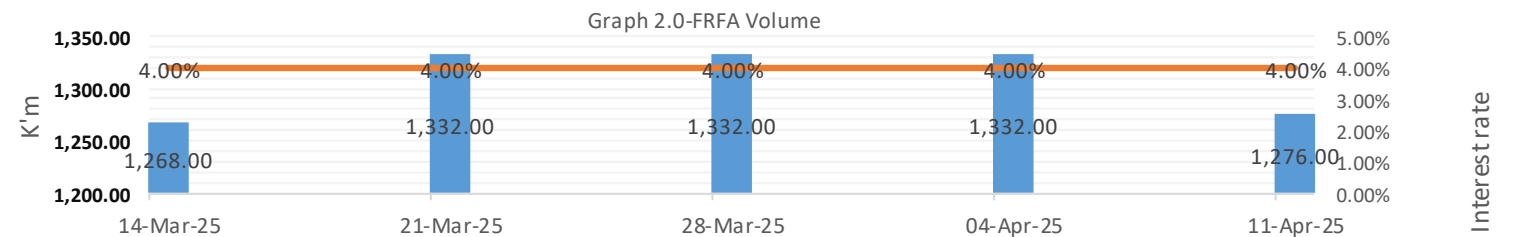
'FRFA W.A.R remain unchanged at 4.00% in this week's auction'

- Term deposit rates for all tenors remained unchanged for all issuers – refer Table 3.
- The Central Bank continues to strengthen the monetary policy operational framework by intensifying efforts to mop up excess liquidity and adopt more effective short-term liquidity management instruments. The introduction of 7-Day FRFA Central Bank Bill (CBB) exclusively to authorized deposit takers (ADI) in commercial banks, savings & loans societies and & finance companies is an example.
- As the start of the month, the Bank of Papua New Guinea remained vigilant in its monetary policy stance, as inflationary pressures continued to persist. In response, the central bank maintained its interest rates, aiming to support overall economic stability while addressing rising consumer prices. This decision was well-received by market participants, offering a level of certainty in a fluctuating environment.
- The 7 day CBB's W.A.R remain unchanged at 4% with full allocation made on K1,276.00bn total bids received in this week's auction.
- For two months now, the 7-day FRFA rate has remained stable at 4.00%.

Table 3 – Financial Institutions Term Deposit Rates

Issuer	Current Term & Rates					Previous Term & Rates					Change/movement				
	30	60	90	180	365	30	60	90	180	365	30	60	90	180	365
Commercial banks															
BSP	0.55%	0.55%	0.60%	1.05%	1.55%	0.55%	0.55%	0.60%	1.05%	1.55%	0.00%	0.00%	0.00%	0.00%	0.00%
Kina Bank	0.20%	0.45%	0.60%	0.70%	0.90%	0.20%	0.45%	0.60%	0.70%	0.90%	0.00%	0.00%	0.00%	0.00%	0.00%
Westpac	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CreditBank PNG	0.85%	1.15%	1.50%	1.95%	2.35%	0.85%	1.15%	1.50%	1.95%	2.35%	0.00%	0.00%	0.00%	0.00%	0.00%
National Banking Corp.	1.00%	1.25%	1.60%	1.95%	2.40%	1.00%	1.25%	1.60%	1.95%	2.40%	0.00%	0.00%	0.00%	0.00%	0.00%
Tisa Bank	-	-	2.00%	2.50%	3.00%	-	-	2.00%	2.50%	3.00%	-	-	0.00%	0.00%	0.00%
ADI															
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%
FinCorp	0.90%	1.15%	1.50%	2.00%	2.35%	0.90%	1.15%	1.50%	2.00%	2.35%	0.00%	0.00%	0.00%	0.00%	0.00%
Moniplus	0.90%	1.20%	1.50%	2.15%	2.45%	0.90%	1.20%	1.50%	2.15%	2.45%	0.00%	0.00%	0.00%	0.00%	0.00%
First Investment Finance	1.00%	1.20%	1.60%	2.50%	3.00%	1.00%	1.20%	1.60%	2.50%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Government Securities															
Treasury bills (W.A.R)		4.10%	6.05%	8.18%	8.23%		4.10%	6.00%	8.18%	8.23%		0.00%	0.05%	0.00%	0.00%
Central Bank															
Central Bank bills (W.A.R)	4.00%	-	-	-	-	4.00%	-	-	-	-	0.00%	-	0.00%	-	-

Graph 2 – 7 Day FRFA Rates & Volumes



T-Bill Tap and T-Bond Tap are Temporarily Unavailable.

- The T-bill Tap and T-bond Tap papers remain temporarily closed until further notice.

Table 4 - Long dated papers T-Bill Tap and GIS Tap as at June 2023

Issuer		Term & rates (Current)				
Term (Years)		2	4	8	10	
BPNG Treasury Bond Tap		CLOSED UNTIL FURTHER NOTICE				

Issuer		Term & rates (Previous)				
Term (Days)		63	91	182	273	364
BPNG Treasury Bill Tap		CLOSED UNTIL FURTHER NOTICE				

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

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