



DEPARTMENT OF TREASURY OFFICE OF THE SECRETARY



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01st April, 2021

Governor
Bank of Papua New Guinea
P.O Box 121
Port Moresby, NCD

Dear Governor,

Tender of K1,000.00 million of Inscribed Stock (Treasury bond) in April 2021 for the Independent State of Papua New Guinea

I hereby inform the Bank of Papua New Guinea (BPNG) that the Government of Independent State of Papua New Guinea through the department of Treasury is planning a new issuance of K1,000 million COVID-19 Bond on 20th April, 2021.

The raising of this fund will assist the Government in Financing COVID-19 expenditures and other 2021 Budget expenditures.

In this regard, I request BPNG to inform all the registered bidders before 20th, April 2021 of the K1,000 million COVID-19 Bond, with settlement on 23rd April, 2021.

Below is the breakup of K1,000 million, tenures and the coupon rates.

Amount K'million	Tenors	Maturities	Coupons % pa	Next Coupon Date
100.00	2 years	15 May 2023	8.5%	15 May 2021
300.00	3 years	15 May 2024	9.00%	15 May 2021
300.00	5 years	15 August 2026	10.0%	15 August 2021
150.00	6 years	15 August 2027	10.5%	15 August 2021
50.00	8 years	15 August 2029	11.5%	15 August 2021
50.00	9 years	15 November 2030	12.0%	15 May 2021
50.00	10 years	15 February 2031	12.5%	15 August 2021

The administrative arrangements and terms and conditions are similar to the Inscribed Stock previously issued:

- All bidders must be registered with the Department of Treasury's issuing agent, Bank of Papua New Guinea.
- All bids must be received by mid-day on the day of Tender at Financial Markets Department Second Floor, To Robert Haus, Bank of Papua New Guinea.
- Coupons are payable on every six months and the minimum bid is K100, 000.
- Inscribed Stock can be paid with either cash, Treasury Bills or Inscribed Stock with remaining maturity of less than six months.

- The settlement value of the Treasury Bills and Inscribed Stock is to be calculated using the zero-coupon yield- curve derived from the straight line interpolation of the weighted average yields of the latest Treasury Bill and Central Bank Bill Auctions.
- All other terms and conditions outlined in the Information Memorandum for Inscribed Stock will apply.

Investors who wish to find out more about government securities should contact either:

- Money Market Operations Unit, Financial Markets Department, Bank of Papua New Guinea, Phone: (+675) 322 7349 Fax: (+675) 321 0918 Email: investments@bankpng.gov.pg or rrupa@bankpng.gov.pg
- Financial Management Division, Department of Treasury
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Yours sincerely,



DAIRI VELE
Secretary