



INDEPENDENT STATE OF PAPUA NEW GUINEA

MINISTER FOR TREASURY

Our Ref: FMD/SEB/1-1.1.1/007

17th June, 2021

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

Dear Governor,

Subject: Tender of K1,180.19 million of Inscribed Stock (Treasury bond) in June 2021 for the Independent State of Papua New Guinea

I hereby inform the Bank of Papua New Guinea (BPNG) that the Government of the Independent State of Papua New Guinea through the Department of Treasury will be issuing a total of K1,180.19 million COVID-19 Bond on 22nd June, 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 or by 22nd June, 2021 of the K1,180.19 million COVID-19 Bond, with settlement on 25th June, 2021.

Below is the breakup of the K1,180.19 million COVID-19 Bond, including the respective tenors and the coupon rates:

Amount K'million	Tenors	Maturities	Coupons % pa	Next Coupon Date
100.19	2 years	15 February 2023	8.50%	15 August 2021
300.00	3 years	15 February 2024	9.00%	15 August 2021
250.00	5 years	15 February 2026	9.70%	15 August 2021
300.00	6 years	15 February 2027	9.80%	15 August 2021
100.00	8 years	15 May 2029	9.90%	15 November 2021
80.00	9 years	15 February 2030	9.90%	15 August 2021
50.00	10 years	15 August 2031	9.90%	15 August 2021

The administrative arrangements and, the 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
Mr. Damien Horiambe
Phone: (675) 3133526
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- Mr. Jeffrey Walua
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- Mr. Samson Filfi
Phone: (675) 3133622, Email: Samson.Filfi@treasury.gov.pg

Yours sincerely,


HON. IAN LING-STUCKEY, CMG. MP
Minister for Treasury

