

Our Ref: *FMD/SEB/1-1.1.1.1/008*

13th April, 2022

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

Dear Acting Governor,

Subject: Tender of K700.00 million Inscribed Stock (Treasury Bond) in April 2022 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 K700 million Treasury Bond on 19th April, 2022.

The raising of this fund will assist the Government in major expenditures of 2022 Budget implementation.

In this regard, I request BPNG to inform all the registered bidders before 19th April, 2022 of the K700 million Treasury Bond issuance, with settlement on 22nd April, 2022.

Below is the breakup of K700 million, tenures and the coupon rates.

K'million	Tenors	Maturity Dates	Coupon Rates	Next Coupon dates
150	2 years	15 th May 2024	7.00%	15 th May 2022
150	4 years	15 th February 2026	7.50%	15 th August 2022
150	5 years	15 th February 2027	8.00%	15 th August 2022
100	7 years	15 th August 2029	8.60%	15 th August 2022
50	8 years	15 th August 2030	8.70%	15 th August 2022
50	9 years	15 th February 2031	8.80%	15 th August 2022
50	10 years	15 th May 2032	8.90%	15 th May 2022

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
Mr. Damien Horiambe
Mobile: (675) 3133 526
Email: Damien_Horiambe@treasury.gov.pg; and
- Mr. Samson Filfi,
Phone: (675) 3133622, Email: Samson_Filfi@treasury.gov.pg

Yours sincerely,

ANDREW OAEKE
Acting Secretary