



DEPARTMENT OF TREASURY
Financial Management Division

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06 May 2011
FED/11/IS/kp

Governor
Bank of Papua New Guinea
PO Box 121
Port Moresby, NCD

Attention: Mr. Joe Teria

Dear Governor,

Tender of K63 million of Inscribed Stock in May 2011 for the Independent State of Papua New Guinea

Would Bank Papua New Guinea inform all registered bidders today, and copy Assistant Secretary Mr Gibson Gotaha, of the tender on Tuesday 17 May 2011 of K63 million of Inscribed Stocks with settlement on Friday 20 May 2011, comprising:

Amount K million	Maturities	Coupons % pa	Next Coupon Date
15.0	15 February 2014	9.0	15 August 2011
16.0	15 February 2017	9.0	15 August 2011
16.0	15 August 2020	12.0	15 August 2011
16.0	15 November 2027	14.0	15 November 2011

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 at Second Floor, ToRobert 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.

If you have any questions regarding Domestic Debt issues please contact Mr Gibson Gotaha, Assistant Secretary Financial Evaluation Division on 312 8745/8864 (phone) or 312 8741 (switch); or gibson_gotaha@treasury.gov.pg (email).



DAMIEN HORIAMBE
Acting First Assistant Secretary