DEPARTMENT OF TREASURY
FINANCIAL MANAGEMENT DIVISION

2026 THIRD QUARTER DOMESTIC DEBT ISSUANCE PLAN

Ref: FMD/SEB/1.21/006sh

06th July, 2026

2026 Third Quarter Plan

For the third quarter, it is projected that 26 percent of the annual Treasury bill appropriation will be raised, while 35 percent of the Treasury bond appropriation will be issued to support the policy objective of increasing the share of bonds in deficit financing.

The Kina Facility Rate (KFR) is expected to remain at 5 percent from June through September, pending the next Monetary Policy Committee meeting. As a result, prevailing market rate trends are likely to continue, subject to market demand and supply conditions. These developments will be closely monitored in light of evolving domestic and global economic conditions.

Set out below is the issuance schedule for the next three months. A detailed issuance notice will be communicated through the Bank of Papua New Guinea for each auction.

- **July Issuance (Kina Million)**

Weekending	3-Jul-26	10-Jul-26	17-Jul-26	24-Jul-26	31-Jul-26
182 days	20.00	20.00	20.00	20.00	20.00
273 days	50.00	50.00	50.00	50.00	50.00
364 days	200.00	200.00	200.00	200.00	200.00
3 year				50.00	
5 year				50.00	
7 year				50.00	
10 year				100.00	
15 year				50.00	

- **August Issuance (Kina Million)**

Weekending	7-Aug-26	14-Aug-26	21-Aug-26	28-Aug-26
182 days	20.00	20.00	20.00	20.00
273 days	50.00	50.00	50.00	50.00
364 days	200.00	200.00	200.00	200.00
3 year			50.00	
5 year			100.00	
7 year			80.00	
10 year			150.00	
15 year			100.00	

- **September Issuance (Kina Million)**

Weekending	4-Sep-26	11-Sep-26	18-Sep-26	25-Sep-26
182 days	20.00	20.00	20.00	20.00
273 days	50.00	50.00	50.00	50.00
364 days	200.00	200.00	200.00	200.00
3 year			50.00	
5 year			50.00	
7 year			50.00	
10 year			100.00	
15 year			50.00	

Additional information

Further information on the historical results of auctions is available on the Debt portal of the Department of Treasury's website: https://www.treasury.gov.pg/debt/auction-results/. If you have any questions please contact the Securities Execution Branch on telephone numbers: 313 3787 or 313 3517 or email: securities@treasury.gov.pg

ANDREW OAEKE
Secretary

DEPARTMENT OF TREASURY

FINANCIAL MANAGEMENT DIVISION

2026 SECOND QUARTER DOMESTIC DEBT ISSUANCE OUTCOME

Ref: FMD/SEB/1.21/006sh

06th July, 2026

2026 Second Quarter Outcome

The Annual Domestic Issuance Plan for the second quarter set proposed issuance volumes of K3,500.00 million for Treasury Bills (Tbills) and K780.00 million for Treasury Bonds (Tbond). These amounts represent 26 percent and 25 percent, respectively, of the funding allocated under the 2026 Budget.

Summary of 2026 Budget Domestic Debt Issuance Plan

	Q1	Q2	Q3	Q4	Total
Treasury Bills					
Issuance	4,310.00	3,500.00	2,900.00	2,658.50	**13,368.50**
Amortization	4,052.36	3,325.41	3,271.48	3,696.75	**14,346.00**
Net	*257.64*	*174.60*	*-371.48*	*-1,038.25*	***-977.50***
Projected 364 day interest rate	4.75%	4.50%	4.25%	*4.00%*	
Treasury Bonds					
Issuance	720.00	780.00	780.00	788.80	**3,068.80**
Amortization	429.50	666.20	693.20	645.90	**2,434.80**
Net	*290.50*	*113.80*	*86.80*	*142.90*	***634.00***
Projected 10 year interest rate	*5.75%*	*5.50%*	*5.25%*	*5.00%*	

As at 26 June, issuance reached 102 percent of the Treasury Bills target and 121 percent of the Treasury Bonds target for the second quarter. All thirteen T-bill and three T-bond auctions held during the quarter to date were oversubscribed, with particularly strong demand for the 364-day T-bill and mid-term bonds. Issuance has exceeded the quarter target by the end of second quarter.

The 364-day rate, originally projected at 4.50 percent, was influenced by the Monetary Policy Committee's (MPC) decision again to maintain the Kina Facility Rate (KFR) at 5 percent and the Cash Reserve Requirement (CRR) at 9 percent, following its review of recent domestic and global economic conditions. Average market yields declined in quarter 2, with Treasury bill yields falling to approximately 5.19 percent from 5.56 percent in quarter 1, and Treasury bond yields dropping to 6.26 percent from 6.97 percent.

The decline in yields is generally positive, indicating reduced financing cost and stronger investor appetite, which supports more sustainable debt management.

Second Quarter Results as at 26 June - Summary Table

TREASURY BILLS	Q2 Target	Q2 Outcome	% Achieved
Issuance	3,500.00	3,566.73	102%
Amortization	3,389.98	3,389.98	100%
Net	110.02	176.75	161%
TREASURY BOND			
Issuance	780.00	947.65	*121%*
Amortization	666.20	666.20	*100%*
Net	113.80	281.45	*247%*

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