

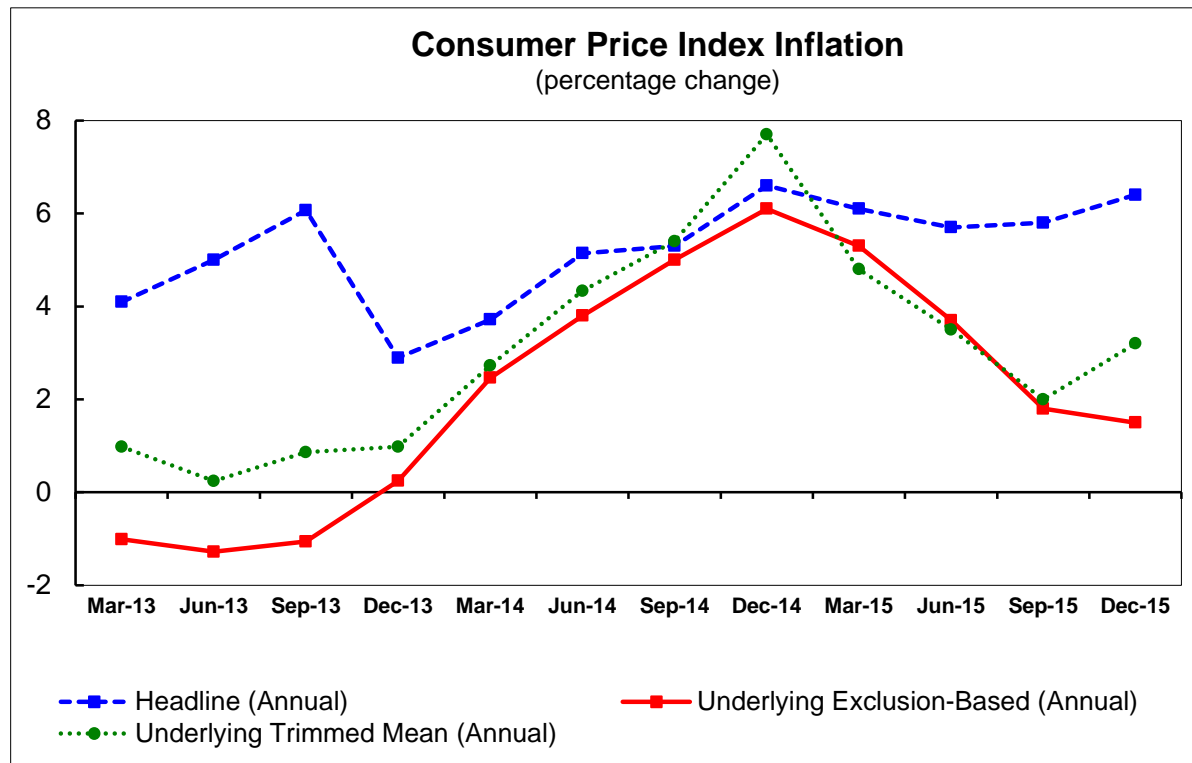


# **BANK OF PAPUA NEW GUINEA**

## KINA FACILITY RATE (KFR) FOR MARCH 2016

Based on inflation outcome (refer below) and other economic and financial information assessed by the Bank, I announce that the monetary policy signaling rate, the Kina Facility Rate (KFR), will be maintained at 6.25 percent for the month of March 2016.

The annual headline inflation for the December quarter 2015, as measured by the Consumer Price Index and released by the National Statistical Office (NSO) showed an increase of 6.4 percent, compared to 5.8 percent in the September quarter 2015. However, the annual underlying measures of inflation remained low (see chart below), with exclusion-based measure recording 1.5 percent in the December quarter 2015, from 1.8 percent in the September quarter 2015, and trimmed mean measure increasing by 2.3 percent in the December quarter, from 2.0 percent in September quarter.



Source: NSO

Mr. Loi M. Bakani, CMG  
Governor