



BANK OF PAPUA NEW GUINEA

KINA FACILITY RATE FOR NOVEMBER 2023

The Bank of Papua New Guinea announce that the Kina Facility Rate (KFR) will reduce by 50 basis points to 2.50 percent for the month of November 2023. The reduction aims to support economic growth as inflation remains subdued.

To improve the transmission of monetary policy, the Bank will continue to align its monetary policy instruments to better influence domestic market interest rates to respond to changes in the monetary policy rate, the KFR. As a result, the 7-day Central Bank Bill rate, the short-term liquidity instrument under the Fixed Rate Full Allotment auction will increase by 50 basis points to 2.50 percent with immediate effect.

The Bank encourages financial institutions to support this change in their intermediary process to allow for adjustments in their deposit and lending rates, accordingly.

Ms. Elizabeth Genia, AAICD
Acting Governor