



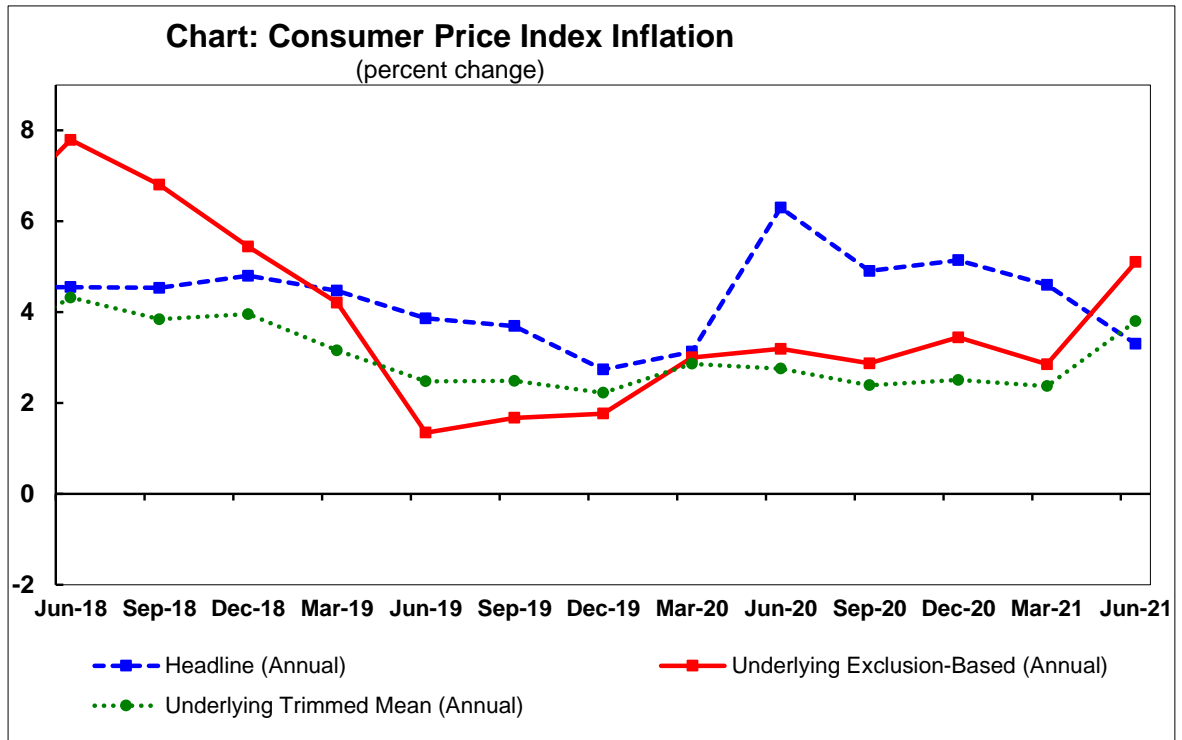
BANK OF PAPUA NEW GUINEA

KINA FACILITY RATE FOR SEPTEMBER 2021

In considering the inflation outcomes for the June quarter of 2021 and other macroeconomic indicators, the Bank will maintain its stance of monetary policy. The policy signaling rate, the Kina Facility Rate (KFR) for the month of September 2021 will be maintained at 3.00 percent.

BPNG has maintained the KFR at 3.00 percent since April 2020 to support the economic recovery. The commercial banks are therefore, urged to reduce their lending rates and promote their various lending products to support private sector credit growth. Borrowers are also urged to access funding from the banking sector.

The annual headline inflation in the June quarter of 2021, as measured by the Consumer Price Index and published by the National Statistical Office, was 3.3 percent, compared to 4.6 percent in the March quarter of 2021 (refer to chart).



Loi M. Bakani CMG
Governor