

# WESTPAC WAILIS

**PNG ECONOMIC UPDATE AND OUTLOOK**

**June 2026**



# PNG in first half

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Will Papua New Guinea's economy falter amid the ongoing conflict or emerge largely unharmed? Are elevated LNG prices and an overperforming resources sector sufficient to absorb shocks from higher fuel import costs and surging freight prices? These are the key questions in the current uncertain economic environment.

Since our last major economic update in February, several geopolitical developments have unfolded, most notably the Middle East conflict, which began on 28 February. Now in its 4th month, the conflict has led to the closure of the Strait of Hormuz, which supplies around one-fifth of global energy needs. This disruption has contributed to rising inflation and cost-of-living pressures globally, particularly in fuel-import-dependent economies.

As this report goes to press on 17 June, the United States and Iran have reached an interim agreement to reopen the Strait of Hormuz for 60-days while negotiations continue. While this reduces immediate risks, the deal remains provisional and fragile, with key issues unresolved and escalation still possible. [Westpac Economics in its June 2026 market outlook](#) expects only a gradual recovery in shipping and Gulf production, with flows unlikely to normalise until mid-2027. Oil prices have eased, but current levels are viewed as too optimistic as temporary buffers fade. Brent is forecast to average around US\$87/bbl in Q3 2026, before easing to about US\$68/bbl by late-2027, while LNG remains elevated near US\$19.5/mmbtu in Q3. Risks are two-sided: faster normalisation could see oil fall to US\$60/bbl by 2027, while renewed disruption could push prices above US\$155/bbl.

PNG's economy has so far withstood the Middle East shock relatively well. The government's response has focused on cushioning domestic impacts through aggressive fuel price and supply stabilisation, fiscal buffers and supply management. A K1.0bn programme has capped fuel prices at March levels, supported by direct subsidies and financing for importers. While there were bureaucratic delays in subsidy payouts in mid-May, which led to temporary market-based pricing and panic, the issue has since been resolved.

Authorities have also indicated that supplementary budgets may be introduced to sustain support, funded by higher LNG and mining receipts, while closely monitoring inflation risks. Parallel efforts are being directed towards strengthening energy security, including investments in biodiesel, renewables and supply diversification. The government is also positioning PNG as a stable LNG supplier globally.

Energy security remains a top priority. In April, reports emerged of a potential government plan to acquire the Napa Napa Oil Refinery to ensure long-term fuel security, although no further updates have been provided.

Amid these developments, a key positive outcome has been the activation of Starlink operations in early May. This was widely welcomed by businesses and households following the National Court decision overturning the previous ban. Some telcos have become resellers, complementing broader efforts to expand 4G mobile broadband coverage across the country, one of the fastest-growing non-resource sectors. On May 8, 2026, the cross-border Pukpuk Submarine Cable System (Pukpuk-1) was also officially launched in Jayapura, establishing the first direct high-capacity fiber link between Indonesia and Papua New Guinea.

The Papua LNG project's final investment decision has been delayed again. However, optimism is building for a decision later this year, with the Development Forum scheduled for late June to early July 2026. TotalEnergies' CEO has reaffirmed that the 6.6tn cubic feet project remains a priority. As noted in our February outlook, once construction begins, the project could boost growth by around 2.5 to 3.5ppt for 5 years, with an additional uplift of 1.6 to 2.0ppt during the production phase. This remains one of the most critical upcoming resource developments since PNG LNG began production in 2014.

Cocoa continues to support rural livelihoods and improve living standards, with domestic prices doubling since the start of the year. Global cocoa prices have also been supported by concerns over supply risks in West Africa and the impact of El Niño, boosting export earnings in 2025. While much of the focus remains on resource sector developments, the non-resource sectors continue to strengthen PNG's economic base, supported by increasing rural-urban migration and economic activity in the Highlands.

Headline inflation for the March quarter was 2.24% y/y, with underlying inflation at 1.7% y/y. Although annual inflation has eased, the June quarter reading is expected to rise due to the impact of the Middle East conflict. In response, the Bank of PNG's Monetary Policy Committee has maintained a largely stable policy stance, keeping the Kina Facility Rate at 5.0% and the Cash Reserve Requirement at 9.0%, while continuing with the crawl-like exchange rate regime, as the Kina is still considered overvalued.

Amid ongoing reforms, the International Monetary Fund (IMF) Executive Board has completed the sixth review under the Extended Fund Facility (EFF) and Extended Credit Facility (ECF), along with the third review under the Resilience and Sustainability Facility (RSF). This milestone grants PNG immediate access to approximately US\$163mn (AU\$231mn), with US\$82mn directed towards addressing structural balance of payments issues and easing foreign exchange shortages, and US\$81mn allocated to support long-term climate resilience under the RSF.

# Growth outlook still strong

Despite ongoing supply risks and higher import prices, PNG's economy is still expected to grow strongly in 2026, building on the momentum from 2025, when growth is estimated to have reached around 5.5%.

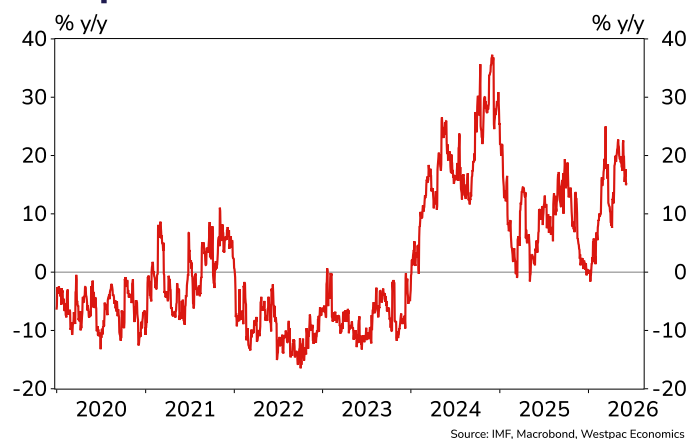
In our February outlook, we projected growth at 4.6%, driven largely by a strong uplift in the non-resource sector. While multilaterals such as the IMF and ADB expect more moderate outcomes of around 3.6% to 3.8%, these forecasts still point to resilience in the domestic economy amid global uncertainty.

The key support continues to come from the non-resource sectors. Agriculture, industry and services are all showing firm expansion, particularly in provincial centres. There are reports of strong growth in retail and industrial output across the Highlands, supported by internal migration and increasing urbanisation. This population shift is attracting new business investment and generating higher real return opportunities. Inflation trends reinforce this demand story, with headline inflation in key centres such as Goroka, Mt Hagen and Madang rising sharply by 12.8% y/y in Q1 2026, reflecting strong consumption pressures alongside supply-led weakness.

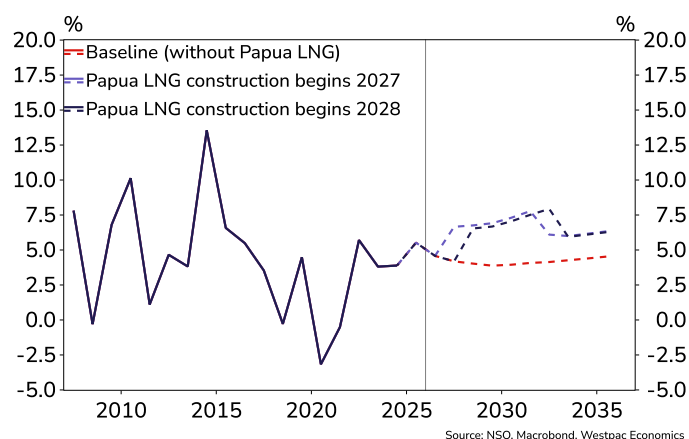
Importantly, investment and trade activity remain robust. Our PNG Ports Imports Indicator Tracker shows that import volumes strengthened through early 2026, with annual growth peaking at around 26% y/y in early May. Although this eased to around 15% y/y by early June, likely due to temporary shipping disruptions linked to the Middle East conflict, import demand remains elevated. This suggests continued strength in both consumer spending and capital investment in PNG.

The resource sector provides additional upside potential. While the Papua LNG project is yet to reach a final investment decision, it remains a major medium-term growth catalyst. In the interim, ongoing expansion in mining and energy projects, including increased production and exploration activity, continues to support output, exports, and fiscal revenues.

## PNG Imports Indicator



## PNG Growth Outlook



## Medium-term economic growth forecast

% Growth	2018	2019	2020	2021	2022	2023	2024	2025	2026(f)	2027(f)	2028(f)	2029(f)
Primary	-4.8	8.1	-5.5	-7.1	4.3	1.2	2.3	6.1	3.5	2.8	2.2	1.6
<i>of which mining</i>	-9.2	11.3	-9.2	-11.6	5.1	1.3	2.4	8.9	4.7	3.4	2.4	1.5
Industry	-1.4	-5.5	-0.7	6.1	11.2	2.5	7.4	4.3	4.6	4.4	4.2	4.4
Service	5.1	2.5	-0.2	4.5	6.3	5.0	5.2	5.4	5.6	5.4	5.6	5.7
Net taxes	3.9	5.0	-9.9	10.5	2.7	20.4	-0.7	4.8	4.6	4.2	4.0	3.9
Real GDP	-0.3	4.5	-3.2	-0.5	5.7	3.8	3.9	5.5	4.6	4.2	4.0	3.9

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# Kina convertibility and foreign exchange

The Monetary Policy Committee (MPC) at its June 2026 meeting kept the Kina Facility Rate unchanged at 5.0% and the Cash Reserve Requirement (CRR) at 9.0%. The MPC also uniformly agreed to maintain the crawl-like exchange rate arrangement, arguing Kina remains overvalued. Stability and certainty were the general tone across all 5 MPC members who voted 5-0 for no changes.

PGK/USD under the crawl-like regime has weakened -0.78% over the month and -2.0% since the start of the year to 0.2287 midrate as of 11 June. Based on various analyses conducted by the BPNG, the Kina is still deemed overvalued. In Westpac's viewpoint, Kina is expected to bottom out at 0.2150 by the end of this year, before BPNG lets it free-float or transition towards the fixed exchange rate system.

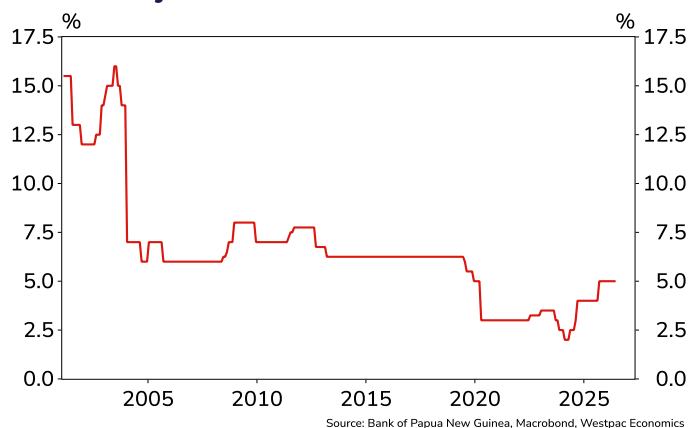
Foreign exchange reserves remained adequate. Gross reserves stood at US\$4.05bn at end December 2025, equivalent to 7.5 months of total imports, before easing to US\$3.75bn by end March 2026.

Government TBILLS were fully subscribed at K370mn on 5 June 2026 across all 3 tenors. As always, TBILLS demand was high, with total bids at K888.63mn. The weighted average yields also moved with 182-days at 4.85%, 273-days at 4.93% and 1-year TBILLS at 5.06%. The 10 June 2026 Government TBILLS auction was also fully subscribed at K480mn, with total bids reaching K993.3mn. Weighted average yields have faced downward pressure, ranging between 4.73% and 4.99%, below BPNG's official policy rate. While one tranche was slightly under-subscribed (273 days), overall excess demand reached K513.3mn.

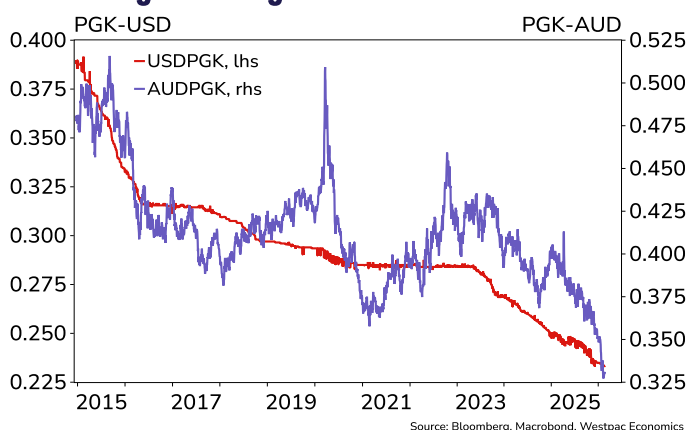
PNG Government plans to raise K3.5bn via TBILLS in Q2, representing roughly 26% of its annual K13.36bn TBILLS appropriation.

Market demand for Government securities remains strong.

## Kina Facility Rate



## Kina Foreign Exchange Rate



## Exchange rate forecast

	Latest	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28
PGK/USD	0.2286	0.2200	0.2150	0.2150	0.2170	0.2220	0.2270	0.2320	0.2370
PGK/AUD	0.3248	0.2973	0.2945	0.2945	0.2932	0.3000	0.3068	0.3178	0.3247
PGK/NZD	0.3927	0.3729	0.3583	0.3468	0.3391	0.3415	0.3439	0.3515	0.3591
PGK/EUR	0.1976	0.1880	0.1822	0.1807	0.1808	0.1835	0.1861	0.1902	0.1943
PGK/GBP	0.1705	0.1630	0.1581	0.1569	0.1572	0.1597	0.1621	0.1645	0.1681
PGK/JPY	36.64	34.76	33.54	33.11	32.98	33.30	33.60	33.87	34.13
PGK/SGD	0.2938	0.2794	0.2709	0.2709	0.2734	0.2797	0.2838	0.2900	0.2963

Source: Bloomberg, Westpac Economics Market Outlook

# Liquidity and risks

After facing major liquidity and foreign exchange shortages, IMF-led intervention has dramatically enhanced foreign exchange market liquidity. This managed adjustment has significantly improved FX conditions. Backed by strong resource export receipts, the chronic domestic foreign exchange backlog has dropped markedly; typical order clearing times have compressed from several weeks to just days. Weekly FX interventions remain active, with standard auctions fully allocating blocks such as US\$5.0mn at a stable average clearing rate of 0.2270.

To insulate the banking sector from sudden shocks, BPNG also launched a robust Emergency Liquidity Assistance (ELA) Policy Framework in April 2026, granting solvent commercial banks access to temporary, fully collateralised 12-month liquidity facilities priced materially above market rates.

In the private space, wholesale corporate bond markets saw innovation, with Kina Securities listing a 10-year, K235mn wholesale fixed-income instrument.

With the improving foreign exchange situation, this has supported the private sector lending space, with credit growth exceeding 13% y/y at 2025-end.

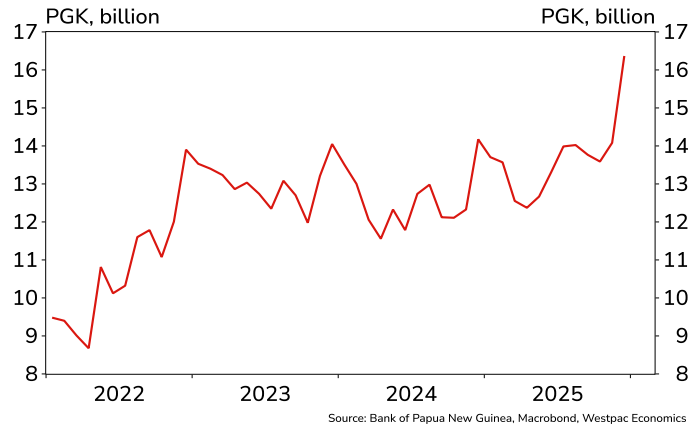
Despite these positives, PNG faces ongoing governance alignment challenges. In early 2026, the Financial Action Task Force (FATF) placed Papua New Guinea on its international “grey list,” identifying persistent compliance gaps in domestic anti-money laundering (AML) and counter-terrorism financing legislative frameworks.

Westpac PNG leadership has emphasised that grey listing does not constitute an economic sanction or a judgment on the solvency of domestic banks, sentiments also shared by other financial institutions.

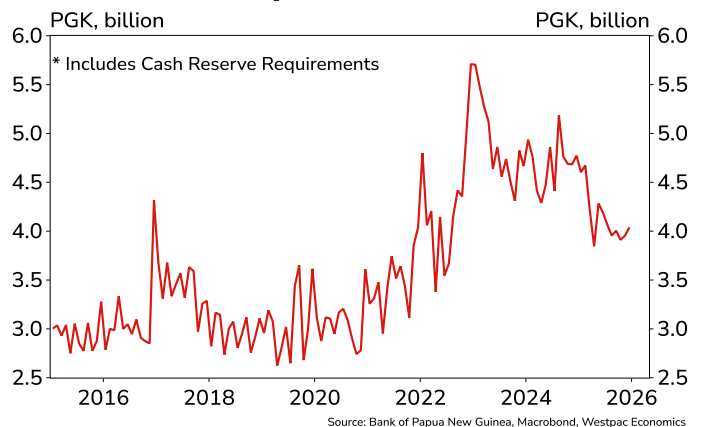
To expedite a removal track, a senior delegation from the US Treasury visited Port Moresby from March 9 to 13, establishing deep technical cooperation with the BPNG, the IRC, and the Financial Analysis and Supervision Unit (FASU). This intervention focuses directly on closing major financial compliance leakages.

Reflecting this heightened enforcement environment, the FASU 2025 review revealed that the unit processed 8,336 Suspicious Matter Reports and over 4.8mn threshold transactions, while publishing a comprehensive Forestry Sectoral Risk Assessment uncovering over US\$2bn in structural transfer pricing and illicit financial leakages between 2014 and 2019. This data-driven push is critical to restoring long-term global investor confidence.

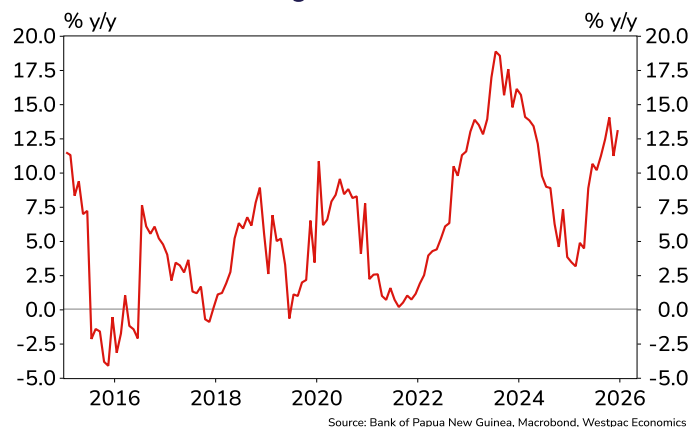
## Foreign reserves holding



## Commercial bank deposits with BPNG



## Private sector credit growth



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# Underlying inflation lifts up in March

The headline CPI rose by 0.50% q/q and 2.24% y/y in Q1 2026 (March quarter). The annualised headline inflation has fallen to 3.7% compared to 4.4% previously.

The quarterly increase was overwhelmingly driven by Food and Non-Alcoholic Beverages. Within food, meat (notably chicken and lamb) and processed staples (bread, cakes, pasta) were the key upward movers, while rice prices declined slightly, partially offsetting gains. A notable counterweight came from Betel Nut and Mustard, which fell sharply and generated the largest negative contribution to inflation, pulling down the broader Alcoholic Beverages, Tobacco and Betel Nut category.

On a year-on-year basis, the 2.24% increase was driven less by food and more by Alcoholic Beverages, Tobacco and Betel Nut alongside communication, transport, and services (health, education, recreation). Food's annual contribution was comparatively modest, reflecting base effects and earlier price normalisation, while cereals and rice exerted downward pressure.

Underlying inflation measures show stronger momentum than headline. Core inflation (measured by excluding seasonal, excise, and price-controlled items) rose by about 1.76% q/q, significantly above the 0.50% q/q headline rate, suggesting that underlying price pressures, particularly in services and non-volatile components, are firmer than headline implies.

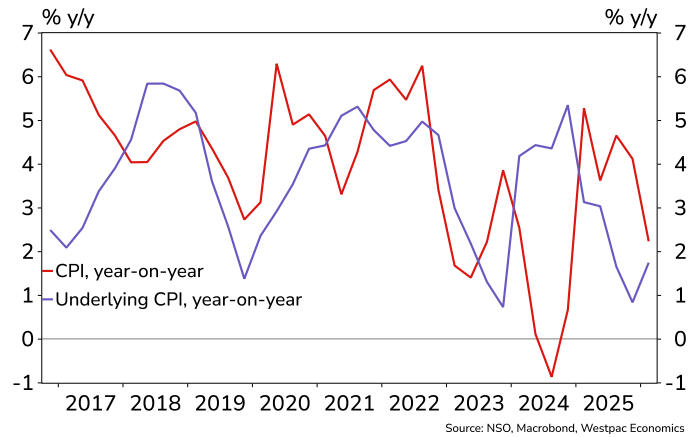
However, the gap between headline and underlying inflation remains relatively narrow in annual terms, indicating no sharp divergence.

Regionally, inflation is highly uneven but fell broadly. Regions (Lae and Port Moresby) closer to ports and business districts recorded much lower inflation as usual. The headline inflation in Lae rose by 0.8% y/y, softer than 1.7% y/y prior quarter. In Port Moresby, headline CPI fell by 0.2% y/y compared to prior quarters increase of 0.4% y/y. In the Highlands, inflation remained higher, driven by both distance from ports and rising demand. Prices increased by 6.0% y/y in Alotau, Kimbe, Kokopo and Rabaul, and by a significantly higher 12.8% y/y in the Goroka, Hagen and Madang region.

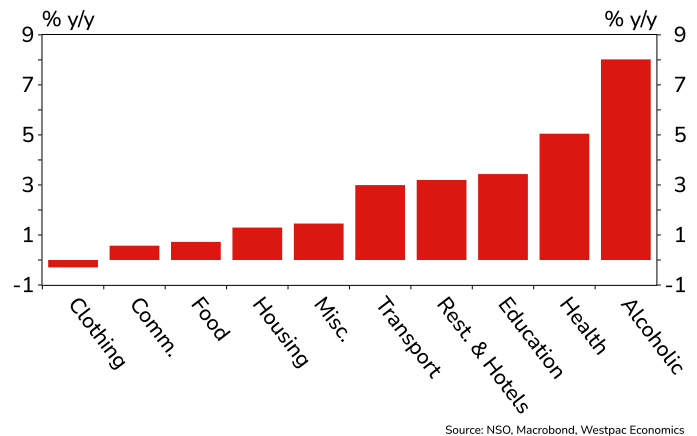
Overall, inflation in Q1 2026 is low but structurally food-driven and regionally fragmented, with emerging signs of firmer underlying pressures. The dominance of a few categories, particularly food and betel nut, continues to mask broader but moderate price increases across services and urban centres.

The Middle East conflict is expected to provide import-led driven uplift in Q2 2026 and later inflation reading for PNG.

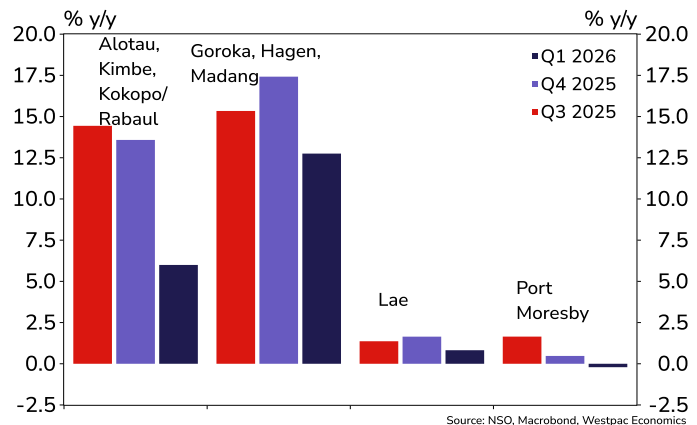
## Headline inflation 2.2% in Q1-2026



## PNG's inflation categories in Q1 2026



## Headline inflation in respective regions



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# Mining exports boost

Papua New Guinea's LNG and gold export performance in 2026 reflects a steady production profile alongside shifting price dynamics led by the Middle East conflict.

PNG LNG operations have remained robust, with export volumes reaching approximately 3.73mn tonnes year to date to May 2026 (January to May), compared with around 3.41mn tonnes over the same period in 2025. This reflects consistently high utilisation rates, mostly at or above 100%, indicating stable upstream production and minimal operational disruptions. The strength in volumes has underpinned export flows to key markets, particularly Japan and China.

For Japan, LNG export values totalled K3.33bn year to date to April 2026, slightly higher than K3.29bn over the same period in 2025. The marginal increase in export value to Japan despite global LNG prices surging signifies operations under long-term contract arrangements. Exports to China also strengthened, reaching 685mn kilograms year to date to April 2026, up 23% from roughly 555mn kilograms in 2025.

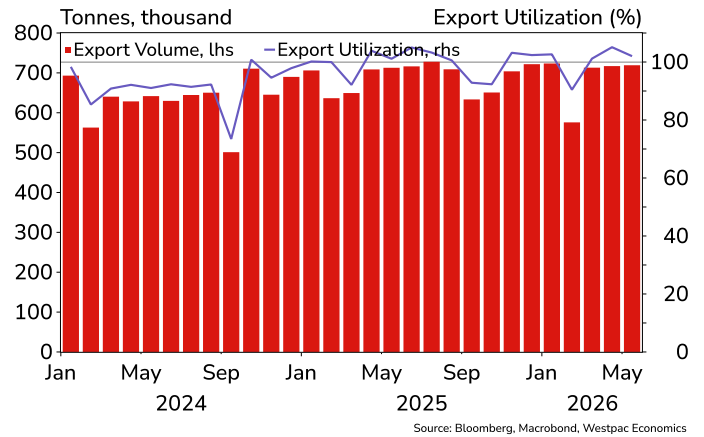
However, the dominant driver of LNG export performance has been the global price cycle shaped by the Middle East conflict. Early in 2026, disruptions to shipping through the Strait of Hormuz and damage to regional energy infrastructure created a significant supply shock, tightening global LNG markets and lifting prices. This supported PNG's export receipts despite modest volume gains.

Furthermore, gold exports to Australia reached K6.51bn year to date to April 2026, up sharply by 30% from K5.02bn in the same period in 2025. This increase reflects both higher export volumes and earlier elevated gold prices driven by geopolitical uncertainty. Importantly, production outcomes in PNG's mining sector have exceeded expectations.

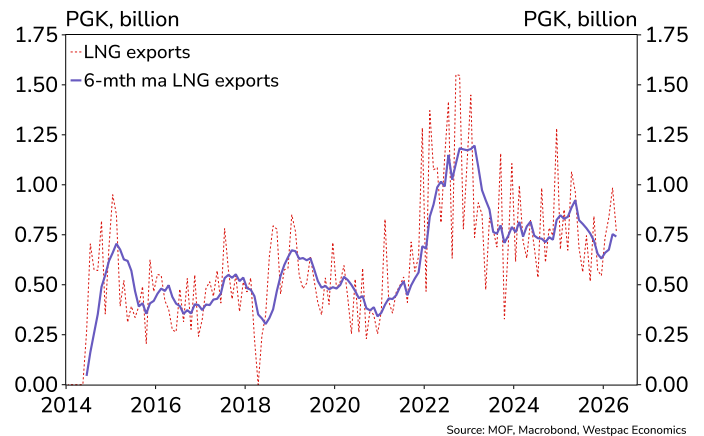
Recent data highlights that gold miners have not only benefited from prices but have also outperformed production forecasts, particularly among major operators. K92 Mining, for instance, recorded strong production expansion and record output as its operations scaled up, while exploration activity and capacity expansion across key sites have accelerated. Similarly, ongoing production growth in projects such as Kainantu and steady output from operations like Ramu Nickel and other resource projects point to a broader trend of mining sector outperformance, with firms delivering higher-than-anticipated volumes.

Despite this strong performance, the gold outlook is also moderating. Global gold prices have softened more recently as rising interest rates and reduced safe-haven demand weigh on markets. This suggests that while PNG's miners have exceeded output expectations, the price environment may become less supportive in the second half of the year.

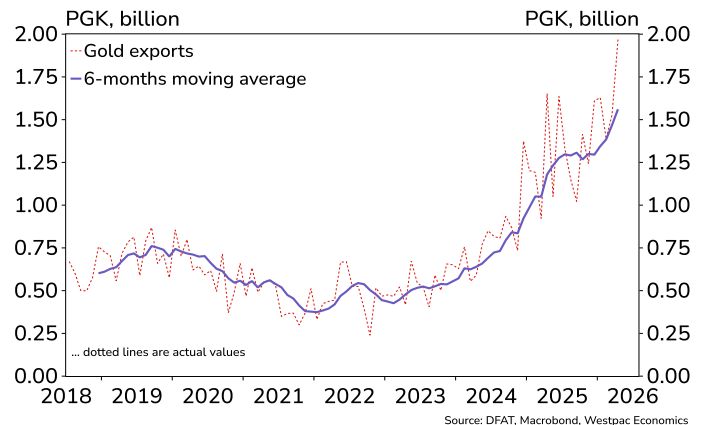
## PNG LNG Export



## PNG's LNG export to Japan



## Gold exports to Australia



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# Update on key investments

## Papua LNG – A US\$14bn LNG megaproject

The single largest anticipated investment is the Papua LNG project led by TotalEnergies, with partners ExxonMobil and Santos, now fully cost optimised to about US\$14bn. PNG's Prime Minister and Petroleum Minister have reaffirmed the project as a top priority, with a Final Investment Decision (FID) targeted by late 2026. To pave the way, the government announced a landowner Development Forum for June to July 2026 to finalise benefit-sharing arrangements.

Officials report the project remains on track after cost reductions from an earlier US\$18bn estimate. Once sanctioned, Papua LNG's two planned trains, supported by around 6.6tn cubic feet of gas, are expected to significantly lift growth and export receipts, one of the largest after the PNG LNG project in 2014.

## Mining and Petroleum

In the mining sector, Wafi-Golpu, a proposed US\$5.0bn gold copper project, is progressing toward final approvals, with the State targeting a 30% equity stake. At the same time, K92 Mining has committed up to K150mn exploration to expand drilling at its Kainantu operation, where recent production has already exceeded expectations. Broader sector performance remains strong, with record output at Kainantu and steady expansion at Ramu Nickel.

Additional investment momentum is emerging across exploration and mid tier projects. K92 Mining's broader expansion programme, linked to its Stage 4 development, continues to scale output, while Adyton Resources and other gold projects are advancing regulatory milestones to restart or expand operations. Gold exploration activity has intensified across Morobe and Upper Sepik regions, signalling a growing pipeline of future production capacity.

In the petroleum sector, PNG is advancing new exploration alongside major LNG developments. The Mailu 1 ultra-deepwater well, led by TotalEnergies and PETRONAS, is expected to commence drilling in 2026, targeting offshore reserves.

Meanwhile, the ExxonMobil led P'nyang LNG project remains deferred pending fiscal negotiations but could deliver significant long term benefits, including a 63% national share when it proceeds.

Further, the PNG LNG joint venture formally approved the Agogo tie-in upstream gas development project in mid-2026. This project represents a targeted US\$400mn capital investment encompassing the construction of a new 19km pipeline and localized production wells, designed to deliver an additional 135mn cubic feet per day of natural gas capacity by its target completion in Q2 2028. ▶

## National Infrastructure Initiatives

The government is implementing large-scale infrastructure investments to address capacity constraints and support growth. A K2.5bn redevelopment of Port Moresby International Airport was launched in 2026, aimed at expanding long-term passenger capacity. In addition, Cabinet has approved a K400mn redevelopment of Rabaul port, backed by financing from French and European partners.

The government has also secured approximately K109mn (EUR25mn) from the European Investment Bank to upgrade Port Moresby's water supply network, improving urban resilience and service delivery.

At the centre of this is the Connect PNG programme, the government's flagship infrastructure initiative. This is a K20bn, 20-year investment (2020–2040) aimed at transforming national connectivity through road expansion and rehabilitation. The programme targets the construction and upgrading of over 16,000km of roads, alongside critical bridge infrastructure to connect rural and resource-rich regions to major economic centres.

Progress to date shows both momentum and constraints. More than K4.0bn has already been spent, with Phase One (2020–2027) partially implemented and focused on priority highways such as the Highlands Highway and key economic corridors. However, implementation has faced funding and execution challenges. While the programme is legislated to receive around 5.6% of the national budget annually, actual disbursements have fallen short of requirements, creating funding gaps and slowing progress in some areas.

## Urban and Real Estate Development

In Port Moresby, Baosen International Holdings is moving ahead with a K4bn mixed-use development at Five Mile, including a 90,000sqm retail complex and over 600 residential units. The project will operate under a Special Economic Zone framework, supported by dedicated utilities and infrastructure. This reflects strong foreign investor participation in urban development.

Importantly, the government's "Take Back PNG" agenda continues to emphasise stronger national participation and benefit-sharing arrangements, although at the risk of investor pull-back.

# Cocoa and coffee boom lifts livelihoods

## Cocoa

Domestic cocoa prices in PNG have remained elevated into early–mid 2026, sustained by the after-effects of the global cocoa supply shock. Global cocoa prices surged from around US\$2,600–3,000/ton in 2023 to over US\$10,400 in April 2024, before easing through 2025 and moderating further to around US\$3,200–4,000 by early 2026.

Cocoa export earnings surged from K398.6mn in 2023 to K1.15bn in 2024, before climbing further to K1.80bn in 2025, a near 4.5 times increase in just two years. This marks the strongest expansion in PNG’s modern cocoa export history.

The scale of the export windfall has driven a significant liquidity injection into rural provinces, supporting consumption and development across cocoa-growing regions. Cocoa is now firmly anchoring agricultural export earnings, reversing a decade-long period of stagnation where receipts largely remained below K400mn annually (2017–2022). Bougainville continues to play a central role in this expansion, maintaining its position as the country’s leading producer, with production approaching pre-crisis capacity.

However, forward risks are intensifying. Global cocoa markets are now undergoing a rapid correction. Prices have fallen sharply from their 2024 peaks, declining by more than 60% at the trough in early 2026 before partially stabilising. This reflects improving supply conditions and a shift toward a global surplus (around 48,000 tonnes in 2025/26). For PNG, this creates a clear downside risk to export receipts.

## Coffee

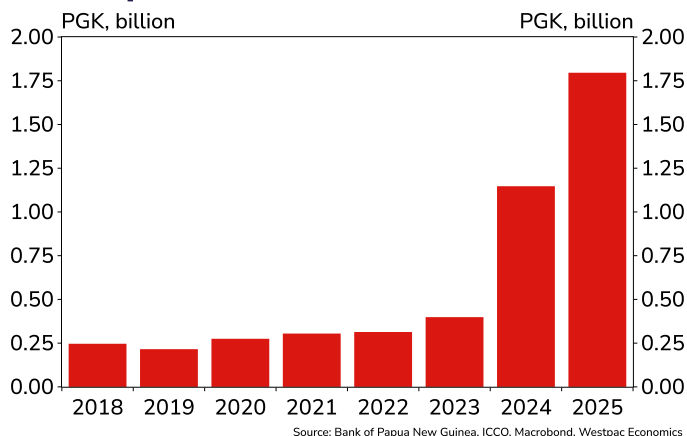
The coffee sector is now entering a cyclical downturn after peaking in 2025. Export data highlights this volatility clearly. Coffee export earnings rose from K737mn in 2024 to K1.31bn in 2025, representing a 78% increase, driven by elevated global prices. However, this surge follows an already volatile trajectory, including a previous spike to K854mn in 2022.

Global coffee prices rose steadily from around US\$150–180/lb in 2023 to over US\$330–400/lb in early 2025, before declining to approximately US\$285–300/lb by mid-2026. This correction reflects a major supply response, led by Brazil.

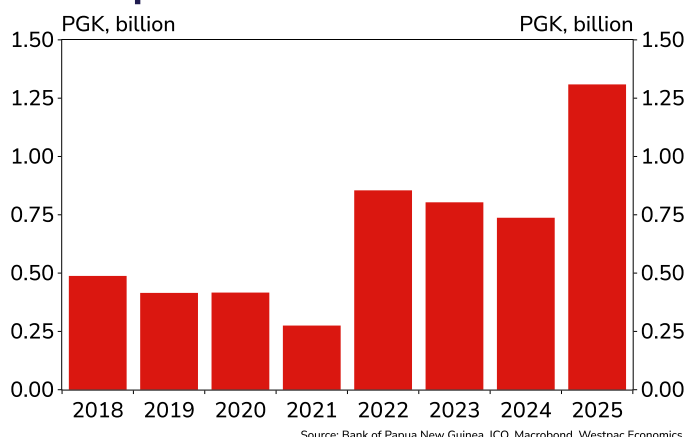
Brazil’s 2026/27 harvest is expected to expand significantly, pushing global production into surplus for the first time in 5 years. This shift is already feeding into price decline. PNG’s domestic coffee prices are softening, with roadside parchment returns reportedly trending lower.

Despite this, PNG retains a competitive niche in premium and specialty segments, where demand remains relatively resilient. However, volumes and farmgate returns remain highly sensitive to global price movements, particularly given limited value-add domestically.

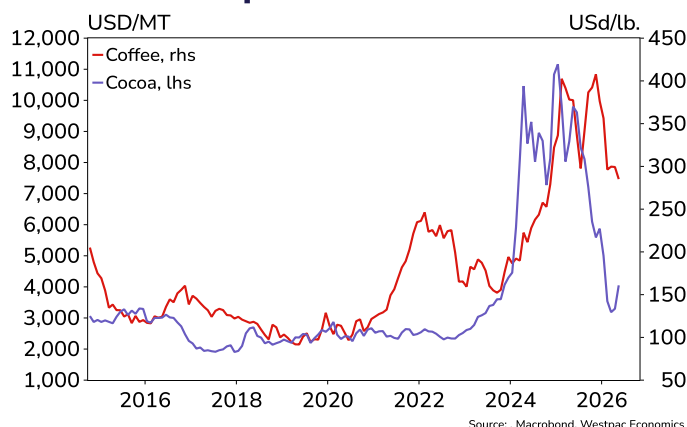
## Cocoa exports at K1.8bn in 2025



## Coffee exports at K1.3bn in 2025



## Cocoa and coffee price fall in 2026



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## Commodity price forecast

End of Period	Latest	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
<b>Bulk commodities</b>										
Crude oil (US\$bbl) Brent	95	87	85	84	77	74	69	65	62	60
LNG in Japan US\$mmbtu	18.7	19.5	18.8	17.7	16.5	15.0	13.0	12.4	11.6	10.8
Gold (US\$/oz)	4,442	4,600	4,630	4,570	4,540	4,570	4,600	4,630	4,660	4,700
Copper (US\$/t)	13,828	13,510	13,630	13,590	13,520	13,420	12,960	12,590	12,300	12,100
Iron ore fines TSI @ 62% US\$/t	105	102	97	90	84	83	84	84	85	85
Nickel (US\$/t)	18,743	18,520	18,220	18,020	17,820	17,620	17,120	16,230	15,730	15,530

Source: Westpac Economics Market Outlook

## Interest rate forecast

Economies	Latest	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
<b>Australia</b>										
Cash	4.35	4.85	4.85	4.85	4.85	4.85	4.85	4.60	4.35	4.10
10 Year Bond	4.82	4.90	4.90	4.90	4.85	4.85	4.85	4.85	4.85	4.90
<b>United States</b>										
Fed Funds	3.625	3.625	3.625	3.625	3.625	3.625	3.625	3.625	3.625	3.625
10 Year Bond	4.47	4.50	4.50	4.55	4.55	4.60	4.65	4.70	4.75	4.80
<b>New Zealand</b>										
Cash	2.25	2.50	3.00	3.50	3.75	4.00	4.25	4.25	4.25	4.25
10 Year Bond	4.48	4.65	4.80	4.95	5.05	5.10	5.10	5.10	5.10	5.05

Source: Westpac Economics Market Outlook

## Economic growth forecasts (year average)

Country	2021	2022	2023	2024	2025f	2026f	2027f	2028f
World	6.6	3.8	3.5	3.3	3.4	3.1	3.3	3.3
United States	6.2	2.5	2.9	2.8	2.1	2.1	1.8	1.9
China	8.4	3.1	5.4	5.0	5.0	4.7	4.6	4.4
Japan	3.6	1.3	0.7	-0.2	1.1	0.6	0.8	0.9
India	9.7	7.6	7.2	7.1	7.6	6.5	6.7	6.6
Europe	6.4	3.7	0.5	0.9	1.5	0.2	1.1	1.5
Australia	5.4	4.2	2.1	1.0	2.0	1.7	1.3	2.3
New Zealand	5.5	2.6	2.2	-0.3	0.2	1.5	2.7	3.4

Source: Westpac Economics Market Outlook

### PNG's Metal/Mineral exports forecast

Commodity	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Cobalt ('000 tonnes)	2.6	3.6	3.3	3.1	2.8	3.0	3.4	3.0	3.3	3.3
Condensate ('000 barrels)	9,523.0	8,618.5	7,055.3	6,092.5	4,914.3	5,608.0	4,685.5	4,084.7	3,484.0	2,883.8
Copper ('000 tonnes)	82.3	66.0	73.9	94.7	115.4	105.5	111.2	115.5	119.7	123.8
Crude Oil ('000 barrels)	4,819.8	6,176.7	7,214.1	7,071.1	7,380.5	4,567.9	4,648.2	4,671.9	4,516.8	4,349.1
Gold (tonnes)	54.1	44.0	39.6	41.9	47.2	47.5	41.2	39.5	37.6	35.7
Logs ('000 cubic meters)	2,891.0	2,787.1	3,059.7	2,261.0	1,990.0	1,833.3	1,632.2	1,429.9	1,225.6	1,020.1
Marine Products ('000 tonnes)	203.4	129.6	129.1	84.6	261.2	224.1	195.4	205.4	212.9	217.9
Nickel ('000 tonnes)	29.7	39.1	37.2	34.1	30.6	32.8	38.6	35.7	41.4	39.6

Source: Westpac Pacific Forecast

### PNG's Agricultural exports forecast ('000s tonnes)

Commodity	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Cocoa	33	36.6	40	38.5	39.9	58.6	51.2	46.5	49.3	53.0
Coffee	40.7	25	50.9	57.9	49.6	49.7	50.0	50.0	50.0	50.0
Copra	36.7	35.1	23.8	13.3	23	22.4	13.3	23.7	24.0	19.5
Copra Oil	10.4	11.6	30.1	17.1	22.7	15.5	19.0	20.2	20.7	21.3
Palm Oil	557.9	657.5	676	684.4	679.5	696.8	727.3	741.1	763.1	779.5
Rubber	3.1	2.8	2.6	2.7	2.3	2.8	2.7	2.6	2.6	2.6
Tea	0.17	0.33	0.17	0.4	0.35	0.4	0.3	0.2	0.2	0.1

Source: Westpac Pacific Forecast



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