



# STATE GOVERNMENT FINANCES- Weekly SGS

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**Weighted average cut-off of SGS  
eased by 3 bps to 7.69% in modest  
sized auction**

**DECEMBER 12, 2023**



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Weighted average cut-off of SGS eased by 3 bps to 7.69% on December 12, 2023

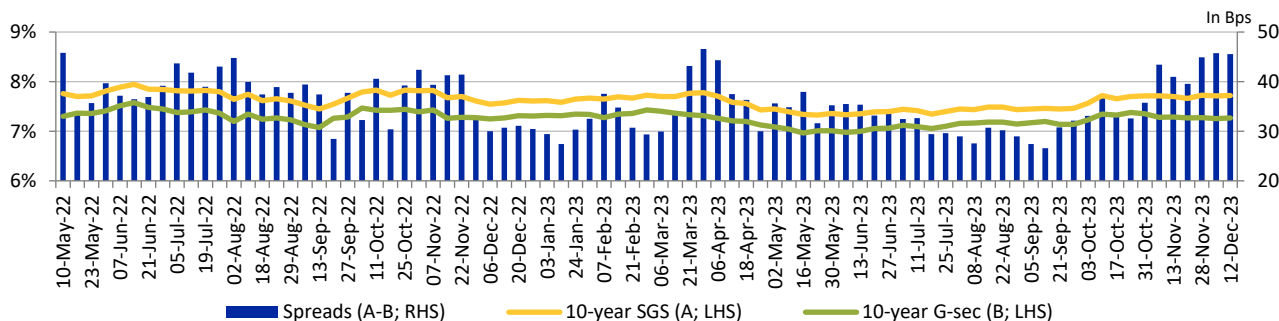
Spread between cut-off of 10-year SGS and 10-year G-sec yield was stable at 46 bps on December 12, 2023, in line with last week

Seven state governments and one Union Territory (UT) raised a modest/three-week low Rs. 121 billion through state government securities (SGS) on December 12, 2023, a mild ~2% lower than the amount indicated for this week in the Q3 FY2024 auction calendar. The weighted average cut-off of the SGS eased to 7.69% on December 12, 2023, from 7.72% last week, with the weighted average tenor declining to 11 years from 12 years during the same period. Moreover, the spread between the cut-off of 10-year SGS and the 10-year G-sec (7.18 GS 2033) yield was unchanged at 46 bps on December 12, 2023, in line with last week.

Exhibit: SGS issuances during FY2024 (so far)

Amount in Rs. Billion	Indicated	Notified	Raised	Cumulative till this week
<b>Week of December 12, 2023</b>	124	121	121	5,636
<b>Week of December 13, 2022</b>	200	95	95	4,223
<b>Growth</b>	-38.1%	27.6%	27.6%	33.5%

Exhibit: Spread between weighted average cut-off of 10-year State and GoI G-sec





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