



STATE GOVERNMENT FINANCES- Weekly SGS

SGS cut-off rises by 5 bps to 7.37%

JULY 2, 2024





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The weighted average cut-off of SGS increased by 5 bps to 7.37% on July 2, 2024, from last week.

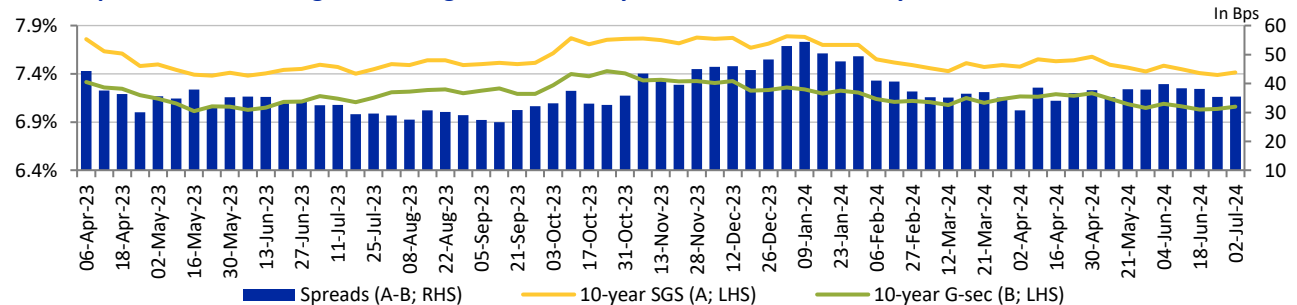
The spread between the cut-off of 10-year SGS and the 10-year G-sec yield was unchanged at 35 bps on July 2, 2024, from last week.

In the first weekly auction of Q2 FY2025, seven states and one Union Territory (UT) raised Rs. 141 billion through the state government securities (SGS) on July 2, 2024, nearly in line with the indicated amount for this week in the recently released auction calendar. The weighted average cut-off of the SGS rose to 7.37% on July 2, 2024, from 7.34% last week, despite the decline in weighted average tenor to 15 years from 19 years during the same period. The spread between the cut-off of the 10-year SGS and the 10-year G-sec (7.10 GS 2034) yield was stable at 35 bps on July 2, 2024, compared to last week.

Exhibit: SGS issuances during FY2025 (so far)

Amount in Rs. Billion	Indicated	Notified	Raised	Cumulative till this week
Week of July 2, 2024	141	141	141	1,599
Week of July 4, 2023	162	162	162	1,839
Growth	-13.0%	-13.0%	-13.0%	-13.0%

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





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