

STATE GOVERNMENT FINANCES- Weekly SGS

**SGS cut-off rises by a mild 2 bps to
7.35%**

JULY 23, 2024





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Seven states raised Rs. 121 billion on July 23, 2024, nearly 25% below the amount indicated for this week.

The weighted average cut-off of SGS increased by 2 bps to 7.35% on July 23, 2024, in line with last week.

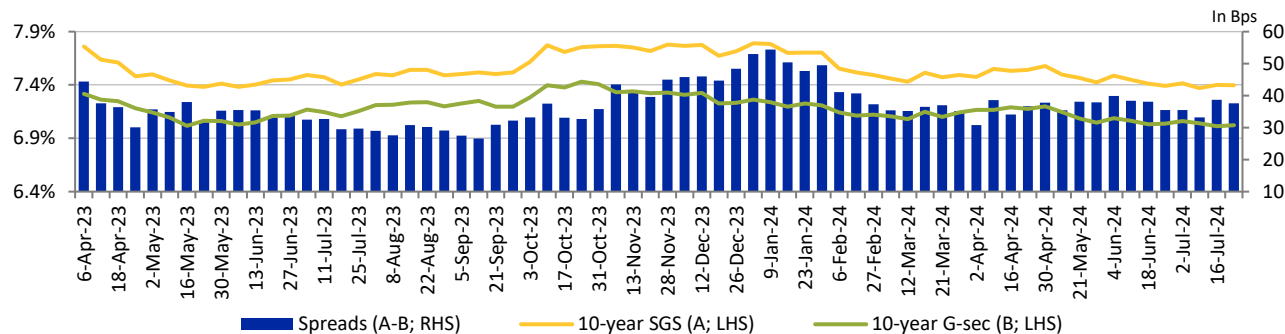
The spread between the cut-off of 10-year SGS and the 10-year G-sec yield eased mildly to 38 bps on July 23, 2024, from 39 bps last week.

Seven states raised Rs. 121 billion through state government securities (SGS) on July 23, 2024, nearly 25% below the amount indicated for this week in the Q2 FY2025 auction calendar. The weighted average cut-off of the SGS increased to 7.35% on July 23, 2024, from 7.33% last week, despite the decline in the weighted average tenor to 15 years from 16 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 eased mildly to 38 bps on July 23, 2024, compared to 39 bps last week.

Exhibit: SGS issuances during FY2025 (so far)

Amount in Rs. Billion	Indicated	Notified	Raised	Cumulative till this week
Week of July 23, 2024	161	121	121	1,847
Week of July 25, 2023	243	190	190	2,257
Growth	-33.6%	-36.3%	-36.3%	-18.2%

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





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