



STATE GOVERNMENT FINANCES- Weekly SGS

**SGS cut-off declined by 7 bps
to 7.06%, lowest since Feb 2022**

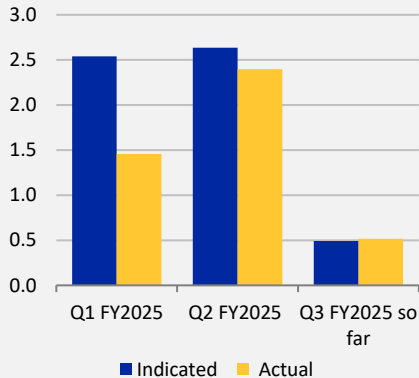
OCTOBER 15, 2024





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Exhibit: Actual and indicated SGS issuances (Rs. trillion)

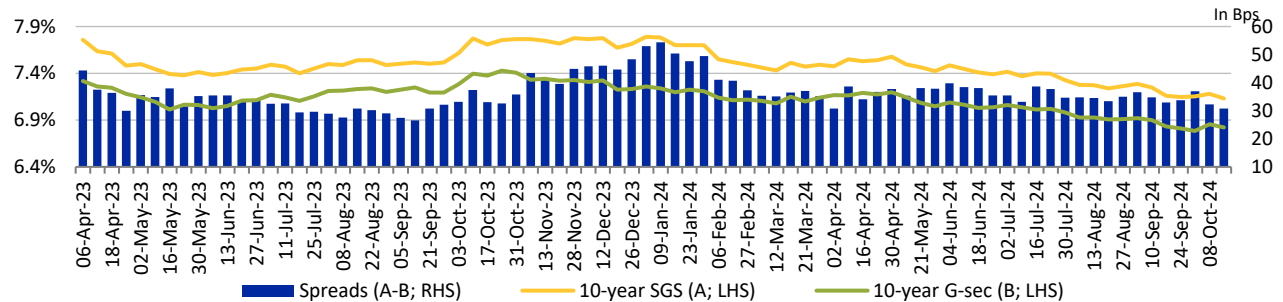


Seven states and one Union Territory (UT) raised Rs. 131 billion through state government securities (SGS) on October 15, 2024, which is in line with the amount indicated for this week in the Q3 FY2025 auction calendar, although the state-wise trend varied. The weighted average cut-off yield for SGS declined by 7 bps to 7.06% (the lowest since February 2022) on October 15, 2024, from 7.13% last week, amid the weighted average tenor of SGS remaining unchanged at 11 years during the same period. The spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (7.10 GS 2034) eased to 31 bps on October 15, 2024, from 32 bps last week.

Exhibit: SGS issuances during FY2025 (so far)

| Amount in Rs. billion | Indicated | Notified | Raised | Cumulative till this week |
|---------------------------------|-----------|----------|--------|---------------------------|
| Week of October 15, 2024 | 131 | 131 | 131 | 4,373 |
| Week of October 17, 2023 | 173 | 164 | 164 | 4,065 |
| Growth | -24.2% | -20.3% | -20.3% | 7.6% |

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





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