



# STATE GOVERNMENT FINANCES- Weekly SGS

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**Spread between 10-year SGS and G-sec  
rises to 34 bps today from 30 bps last  
week**

**MARCH 14, 2023**



12 states raised Rs. 327 billion in today's auction, ~24% above the indicated amount and more than double the year-ago level

Weighted average cut-off of SGS eased by 2 bps to 7.68% today

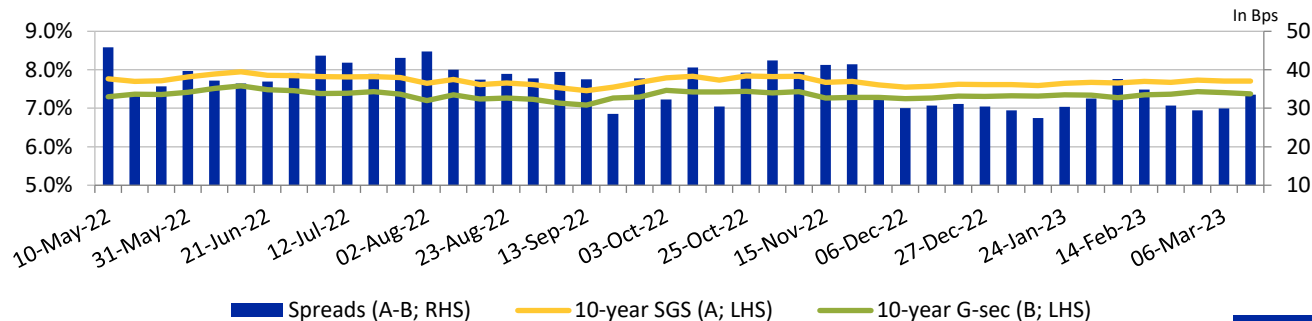
Spread between cut-off of 10-year SGS and G-sec yield rises to 34 bps today from 30 bps last week

In the second largest auction in this quarter, 12 states raised Rs. 326 billion through state government securities (SGS) on March 14, 2023, a sharp 24% higher than the amount indicated for this week in the Q4 FY2023 auction calendar. Additionally, today's borrowing was more than double the year-ago level. The weighted average cut-off of the SGS eased by 2 bps to 7.68% today from 7.70% in the last auction, with the weighted average tenor declining mildly to 15 years from 16 years during this period. However, the spread between the 10-year SGS and (7.26 GS 2033) yield rises to 34 bps today from 30 bps last week.

Exhibit: SGS issuances during FY2023 (so far)

Amount in Rs. Billion	Indicated	Notified	Raised	Cumulative till this week
Week of March 14, 2023	262	327	326	6,815
Week of March 15, 2022	253	136	136	6,492
Growth	3.4%	140.0%	138.8%	5.0%

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





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