

Weekly Update on Central Government borrowings 8 January 2021

The Central government raised Rs 30,863 crs during the week ended January 8, 2021, which is higher than the notified amount (Rs 27,000 crs) and the funds raised during the previous week (Rs 22,000 crs). The total amount raised so far this year has crossed Rs 11 lakh crs, 71% higher than the corresponding period last year. It is 84% of the revised central government borrowing limit of Rs 13.1 lakh crs for the year. Total funds raised so far in H2-FY21 is Rs 3.4 lakh crs, nearly 62% of the scheduled borrowing limit (Rs 5.44 lakh crs). The higher expenditure incurred and lower revenues have led the government to resort to additional market borrowing to meet the fiscal deficit.

During this auction, there were 3 instruments for which green shoe option has been exercised. Total amount of green shoe option exercised during this auction is Rs 3,862 crs. So far this year, there have been 20 auctions when the green shoe option was exercised and the actual amount has exceeded the notified amount by Rs 75,863 crs. During the current week, there are 4 securities which have been auctioned and the details have been tabulated below in Table 1. The weighted average yields have remained unchanged from the previous week at 5.6%.

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Table 1: Results of the CG security auctions on January 8, 2021

Instrument Name	Notified amount (Rs crs)	Accepted amount (Rs crs)	Amount devolved to PD	Cut-off yields (%)
3.96% GS 2022	2,000	2,000	Nil	3.81
5.15% GS 2025	11,000	12,465	Nil	5.11
5.85% GS 2030	8,000	8,405	Nil	5.88
6.8% GS 2060	6,000	7,992	Nil	6.51

Chart 1: Trends in weekly CG borrowings (Rs crs)

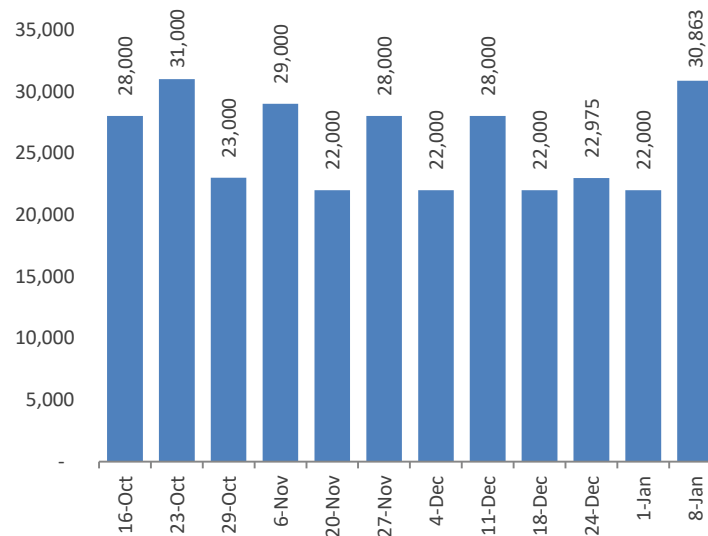
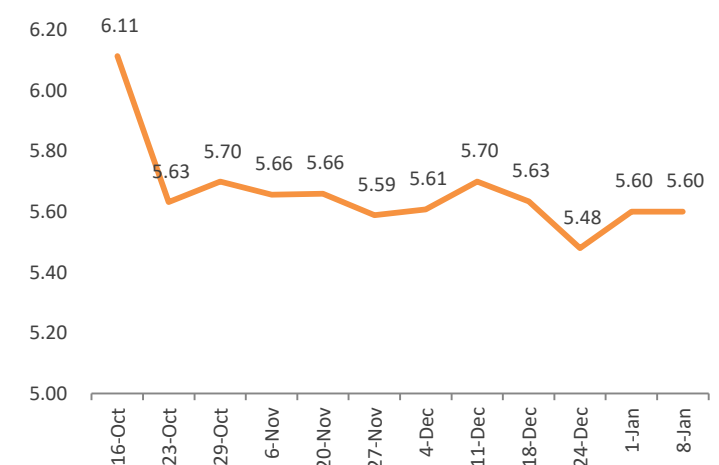


Chart 2: Trends in weekly weighted average yields (%)



Source: RBI

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