

The Newspaper's Staff Reporter

### **PIB auction sees heavy bidding, Rs108bn lifted**

KARACHI: The government stuck to its target despite large investment offered by the banks in the latest Pakistan Investment Bonds (PIBs) auction held on Wednesday.

The banks offered Rs393.9 billion to buy bonds in three- and 20-year tenures but government only accepted bids worth Rs108.3bn.

The target for the auction was Rs100bn.

The government raised Rs43.03bn in the three-year PIBs at a rate of 11.8 per cent. The bids offered by the banks for this tenure were Rs147.2bn which was the highest amount offered in the auction.

The investors offered Rs120.6bn for five-year PIBs but government only raised Rs33.35bn at the rate of 11.6pc. The government raised Rs33bn for 10-year instruments. On the other hand, all bids for 20-year bonds were rejected.

The banks were willing to park maximum liquidity in the PIBs but the government did not show eagerness to raise funds above the 100bn-target.

However, the bankers said that, in the current fiscal year, the government preferred to raise short-term liquidity through Treasury bills.