

Govt raises Rs590bn through T-bills

KARACHI: The government raised Rs590 billion through the auction of treasury bills on Wednesday, exceeding the target it had set, according to latest State Bank of Pakistan (SBP) data.

Keeping in line with the recent trend, investors showed their eagerness to park maximum liquidity in government papers as bids crossed Rs1.131 trillion.

Foreigners have also joined the race to invest in T-bills and so far have poured in \$2.6bn, though it is not known yet as to how much they offered in this auction.

Bankers believe that the government accepts maximum bids by foreign investors as it helps the shore up the SBP's foreign exchange reserves.

Investors were not ready to go for longer tenure as they offered the highest Rs949bn for the three-month papers.

However, the government accepted Rs472bn at a cut-off rate of 13.42 per cent for the three-month papers, again the most accepted for any tenure.

The bids for six- and 12-month instruments were Rs62bn and Rs172bn while amounts accepted were Rs19.4bn and Rs98.8bn, respectively. The cut-off yields were 13.28pc for the former and 13.13pc for the latter.