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Business

Govt To Raise GH¢12.7bn In T-Bills



Ernest Addison, BoG Governor

A Business Desk Report

A TOTAL of GH¢12.7 billion is expected to be raised by the government via Treasury bills (T-Bill) to finance its maturing bills in January 2024.

Already, the government has raised GH¢3.223 billion in the first auction of

2024, 15.24% more than the targeted amount.

However, the total amount expected to be raised is 1.2% lower than that of December 2023.

Based on the prevailing strong demand at an average of GH¢4.0 billion per week, authorities expect to comfortably refinance the upcoming maturities.

However, there are likely to be higher targets to finance the 2024 budget deficit and buffer for February 2024 coupon payments on the restructured bonds.

T-bills Surge

Demand for treasury bills were strong in December 2023 as investors submitted total bids of GH¢16.3 billion across the T-bills, representing an average weekly bid size of GH¢4.0 billion and exceeding the total maturities of GH¢12.8 billion.

The government accepted all bids tendered due to the high funding need for maturity refinancing.

Meanwhile, the yields outturn was mixed in December 2023 as downward pressure from the sharp disinflation offset the upward pressure from the increase in Cash Reserve Ratio.

The 91-day and the 364-day yields respectively trimmed 14 basis points and 74 basis points month-on-month to 29.4% and 32.5% while the 182-day yield gained 19 basis points to 31.9%.