

## **Money Market Report for the week ending 8 February 2019**

### **ECB Monetary Operations**

On 4 February 2019, the European Central Bank (ECB) announced its weekly main refinancing operations (MRO). The operation was conducted on 5 February 2019, and attracted bids from euro area eligible counterparties of €5.42 billion, €1.15 billion lower than the bid amount of the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 0.00%, in accordance with current ECB policy.

On 6 February 2019, the ECB conducted a 7-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$0.06 billion, which was allotted in full at a fixed rate of 2.90%.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day bills and 182-day bills for settlement value 7 February 2019, maturing on 9 May and 8 August 2019, respectively. Bids of €42.00 million were submitted for the 91-day bills, with the Treasury accepting €23.10 million, while bids of €37.00 million were submitted for the 182-day bills, with the Treasury accepting €2.00 million. Since €19.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €6.10 million, to stand at €393.10 million.

The yield from the 91-day bill auction was -0.347%, down by 0.4 basis point from bids with a similar tenor issued on 31 January 2019, representing a bid price of €100.0878 per €100 nominal. The yield from the 182-day bill auction was -0.320%, a decrease of 3.1 basis points from bids with a similar tenor also issued on 31 January 2019, representing a bid price of €100.1620 per €100 nominal.

During the week under review, there was no trading on the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 181-day bills maturing on 16 May and 14 August 2019, respectively.