

## **Money Market Report for the week ending 18 January 2019**

### **ECB Monetary Operations**

On 14 January 2019, the European Central Bank (ECB) announced its weekly main refinancing operation (MRO). The operation was conducted on 15 January 2019, and attracted bids from euro area eligible counterparties of €6.31 billion, €1.02 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 16 January 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 \$0.08 billion, which was allotted in full at a fixed rate of 2.91%.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day bills and 273-day bills for settlement value 17 January 2019, maturing on 18 April and 17 October 2019, respectively. Bids of €42.00 million were submitted for the 91-day bills, with the Treasury accepting €22.00 million, while bids of €43.00 million were submitted for the 273-day bills, with the Treasury accepting €2.00 million. Since €21.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €3.00 million, to stand at €329.00 million.

The yield from the 91-day bill auction was -0.343%, down by 0.1 basis point from bids with a similar tenor issued on 10 January 2019, representing a bid price of €100.0868 per €100 nominal. The yield from the 273-day bill auction was -0.300%, an increase of 5.0 basis points from bids with a similar tenor issued on 28 December 2018, representing a bid price of €100.2280 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 182-day bills maturing on 25 April and 25 July 2019, respectively.