

Money Market Report for the week ending 24 May 2019

ECB Monetary Operations

On 20 May 2019, the European Central Bank (ECB) announced its weekly main refinancing operations (MRO). The operation was conducted on 21 May 2019, and attracted bids from euro area eligible counterparties of €4.92 billion, €0.48 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 22 May 2019, the ECB conducted an eight-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$0.02 billion, which was allotted in full at a fixed rate of 2.88%.

Domestic Treasury Bill Market

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day bills for settlement value 23 May 2019, maturing on 22 August 2019. Bids of €58.00 million were submitted, with the Treasury accepting €17.00 million. Since €12.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €5.00 million, to stand at €328.70 million.

The yield from the 91-day bill auction was -0.354%, a decrease of 0.2 basis point from bids with a similar tenor issued on 16 May 2019, representing a bid price of €100.0896 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 29 August and 28 November 2019, respectively.