

## **Money Market Report for the week ending 22 March 2019**

### **ECB Monetary Operations**

On 18 March 2019, the European Central Bank (ECB) announced its weekly main refinancing operations (MRO). The operation was conducted on 19 March 2019, and attracted bids from euro area eligible counterparties of €5.62 billion, €0.47 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 20 March 2019, the ECB conducted a seven-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$0.07 billion, which was allotted in full at a fixed rate of 2.91%.

During the week under review, participants from the second series of targeted longer-term refinancing operations had the option of terminating or reducing their outstanding amount in these operations before maturity. Accordingly, on 27 March 2019, a total of €3.45 billion will be repaid.

### **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 21 March 2019, maturing on 20 June and 19 December 2019, respectively. Bids of €42.00 million were submitted for the 91-day bills, with the Treasury accepting €15.00 million, while bids of €13.00 million were submitted for the 273-day bills, with the Treasury accepting €3.00 million. Since €35.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €17.00 million, to stand at €354.80 million.

The yield from the 91-day bill auction was -0.347%, down by 0.1 basis point from bids with a similar tenor issued on 14 March 2019, representing a bid price of €100.0878 per €100 nominal. The yield from the 273-day bill auction was -0.285%, an increase of 1.5 basis points from bids with a similar tenor also issued on 17 January 2019, representing a bid price of €100.2166 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 bills maturing on 27 June 2019.