

Money Market Report for the week ending 11 January 2019

ECB Monetary Operations

On 7 January 2019, the European Central Bank (ECB) announced its weekly main refinancing operation (MRO). The operation was conducted on 8 January 2019, and attracted bids from euro area eligible counterparties of €7.33 billion, €0.89 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 9 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 \$0.09 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 for settlement value 10 January 2019, maturing on 11 April 2019. Bids of €20.00 million were submitted, with the Treasury accepting €17.00 million. Since €1.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €16.00 million, to stand at €326.00 million.

The yield from the 91-day bill auction was -0.342%, up by 0.6 basis point from bids with a similar tenor issued on 3 January 2019, representing a bid price of €100.0865 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 273-day bills maturing on 18 April and 17 October 2019, respectively.