

## **Money Market Report for the week ending 13 November 2020**

### **ECB Monetary Operations**

On 9 November 2020, the European Central Bank (ECB) announced the 7-day Main Refinancing Operation (MRO). The operation was conducted on 10 November 2020, and attracted bids from euro area eligible counterparties of €0.58 billion, €0.34 billion less 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.

Also on 10 November 2020, the ECB conducted the 7-day and 84-day US dollar funding operations through collateralised lending in conjunction with the US Federal Reserve. The 7-day USD operation attracted bids of \$0.06 billion, which was allotted in full at a fixed rate of 0.34%. The 84-day USD operation attracted bids of \$0.10 billion, also allotted in full at a fixed rate of 0.33%.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 28-day bills and 91-day bills for settlement value 12 November 2020, maturing on 10 December 2020 and 11 February 2021, respectively. Bids of €93.00 million were submitted for the 28-day bills, with the Treasury accepting €13.00 million, while bids of €92.00 million were submitted for the 91-day bills, with the Treasury accepting €17.00 million. Since €45.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €15.00 million, standing at €656.50 million.

The yield from the 28-day bill auction was -0.487%, an increase of 0.4 basis points from bids with a similar tenor issued on 5 November 2020, representing a bid price of €100.0379 per €100 nominal. The yield from the 91-day bill auction was -0.478%, an increase of 1.4 basis points from bids with a similar tenor also issued on 5 November 2020, representing a bid price of €100.1210 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 28-day bills and 91-day bills maturing on 17 December 2020 and 18 February 2021, respectively.