

## **Money Market Report for the week ending 24 July 2020**

### **ECB Monetary Operations**

On 20 July 2020, the European Central Bank (ECB) announced a 7-day Main Refinancing Operation (MRO). The operation was conducted on 21 July 2020, and attracted bids from euro area eligible counterparties of €1.12 billion, €0.10 billion more 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 the 22 July 2020, the ECB conducted an 84-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$0.46 billion, which was allotted in full at a fixed rate of 0.33%.

During the week under review, the ECB conducted three 7-day US dollar funding operations through collateralised lending in conjunction with the US Federal Reserve. These operations attracted total bids of \$0.55 billion, at the rate of 0.34%.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day bills and 182-day bills for settlement value 23 July 2020, maturing on 22 October 2020 and 21 January 2021, respectively. Bids of €100.00 million were submitted for the 91-day bills, with the Treasury accepting €30.00 million, while bids of €105.00 million were submitted for the 182-day bills, with the Treasury accepting €2.00 million. Since €17.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €15.00 million, standing at €819.00 million.

The yield from the 91-day bill auction was -0.454%, a decrease of 0.1 basis point from bids with a similar tenor issued on 9 July 2020, representing a bid price of €100.1149 per €100 nominal. The yield from the 182-day bill auction was -0.455%, a decrease of 0.5 basis point from bids with a similar tenor issued on 16 July 2020, representing a bid price of €100.2306 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 and 182-day bills maturing on 29 October 2020 and 28 January 2021, respectively.