

## **Money Market Report for the week ending 10 July 2020**

### **ECB Monetary Operations**

On 6 July 2020, the European Central Bank (ECB) announced a 7-day Main Refinancing Operation (MRO). The operation was conducted on 7 July 2020, and attracted bids from euro area eligible counterparties of €1.09 billion, €0.28 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.

On the 8 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 \$0.05 billion, which was allotted in full at a fixed rate of 0.32%.

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 \$0.34 billion, at the rates of 0.33% and 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 9 July 2020, maturing on 8 October 2020 and 7 January 2021, respectively. Bids of €125.00 million were submitted for the 91-day bills, with the Treasury accepting €38.00 million, while bids of €125.00 million were also submitted for the 182-day bills, with the Treasury accepting €2.00 million. Since €53.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €13.00 million, standing at €817.00 million.

The yield from the 91-day bill auction was -0.453%, a decrease of 1.3 basis points from bids with a similar tenor issued on 25 June 2020, representing a bid price of €100.1146 per €100 nominal. The yield from the 182-day bill auction was -0.440%, a decrease of 0.5 basis point from bids with a similar tenor issued on 2 July 2020, representing a bid price of €100.2229 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 182-day bills and 273-day bills maturing on 14 January and 15 April 2021, respectively.