

Money Market Report for the week ending 19 November 2021

ECB Monetary Operations

On 15 November 2021, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 16 November 2021 and attracted bids from euro area eligible counterparties of €172.00 million, €82.00 million less than 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 17 November 2021, the ECB conducted an 8-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$216.50 million, which was 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 and 91-day bills for settlement value 18 November 2021, maturing on 16 December 2021 and 17 February 2022, respectively. Bids of €55.00 million were submitted for the 28-day bills, with the Treasury accepting €5.00 million, while bids of €50.00 million were submitted for the 91-day bills, with the Treasury accepting €15.00 million. Since €50.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €30.00 million, standing at €658.00 million.

The yield from the 28-day bill auction was -0.432%, increasing by 0.7 basis points from bids with a similar tenor issued on 11 November 2021, representing a bid price of €100.0336 per €100 nominal. The yield from the 91-day bill auction was -0.426%, 1.4 basis points higher from bids with a similar tenor also issued on 11 November 2021, representing a bid price of €100.1078 per €100 nominal.

During this week, there was no trading on the Malta Stock Exchange.

This week the Treasury will invite tenders for 28-day and 91-day bills maturing on 23 December 2021 and 24 February 2022, respectively.