

Money Market Report for the week ending 31 December 2021

ECB Monetary Operations

On 27 December 2021, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 28 December 2021 and attracted bids from euro area eligible counterparties of €386.00 million, €161.00 million more 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.

Domestic Treasury Bill Market

In the domestic primary market for Treasury bills, the Treasury invited tenders for 90-day bills for settlement value 30 December 2021, maturing on 30 March 2022. Bids of €50.80 million were submitted, with the Treasury accepting €13.70 million. Since €51.50 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €37.80 million, standing at €599.42 million.

The yield from the 90-day bill auction was -0.406%, increasing by 0.4 basis point from bids with a similar tenor issued on 23 December 2021, representing a bid price of €100.1016 per €100 nominal.

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

This week the Treasury will invite tenders for 91-day and 182-day bills maturing on 7 April and 7 July 2022, respectively.