

## **Money Market Report for the week ending 6 August 2021**

### **ECB Monetary Operations**

On 2 August 2021, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 3 August 2021 and attracted bids from euro area eligible counterparties of €145.00 million, €49.00 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.

On 4 August 2021, the ECB conducted the 7-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$194.00 million, which was allotted in full at a fixed 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 364-day bills for settlement value 5 August 2021, maturing on 4 November 2021 and 4 August 2022, respectively. Bids of €12.00 million and €8.00 million were submitted for the 91-day bills and 364-day bills, respectively, with the Treasury accepting all submitted bids. Since €35.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €15.00 million, standing at €760.25 million.

The yield from the 91-day bill auction was -0.407%, increasing by 0.7 basis point from bids with a similar tenor issued on 29 July 2021, representing a bid price of €100.1030 per €100 nominal. The yield from the 364-day bill auction was -0.408%, increasing by 1.3 basis points from bids with a similar tenor issued on 22 July 2021, representing a bid price of €100.4142 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 181-day bills maturing on 11 November 2021 and 9 February 2022, respectively.