

Money Market Report for the week ending 8 April 2022

ECB Monetary Operations

On 4 April 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 5 April 2022 and attracted bids from euro area eligible counterparties of €408.00 million, €35.00 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 6 April 2022, 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 \$232.50 million, which was allotted in full at a fixed rate of 0.60%.

Domestic Treasury Bill Market

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day and 182-day bills for settlement value 7 April 2022, maturing on 7 July and 6 October 2022, respectively. Bids of €67.00 million were submitted for the 91-day bills, with the Treasury accepting €37.00 million, while bids of €54.50 million were submitted for the 182-day bills, with the Treasury accepting €19.50 million. Since €40.80 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €15.70 million, standing at €754.70 million.

The yield from the 91-day bill auction was -0.327%, increasing by 1.7 basis points from bids with a similar tenor issued on 30 March 2022, representing a bid price of €100.0827 per €100 nominal. The yield from the 182-day bill auction was -0.326%, increasing by 2.5 basis points from bids with a similar tenor issued on 30 March 2022, representing a bid price of €100.1651 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 14 July and 13 October 2022, respectively.