

## **Money Market Report for the week ending 9 December 2022**

### **ECB Monetary Operations**

On 5 December 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 6 December 2022 and attracted bids from euro area eligible counterparties of €1.38 billion, €1.25 billion less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.00%, in accordance with current ECB policy.

On 7 December 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 \$0.21 billion, which was allotted in full at a fixed rate of 4.09%.

During the week under review, participants in the TLTRO-III operations 3 to 10 had the option of terminating or reducing their outstanding amount before maturity. Accordingly, on 21 December 2022 a total of €447.49 billion will be repaid.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 92-day and 183-day bills for settlement value 7 December 2022, maturing on 9 March and 8 June 2023, respectively. Bids of €151.54 million were submitted for the 92-day bills, with the Treasury accepting €31.54 million, while bids of €22.00 million were submitted for the 183-day bills, with the Treasury accepting €14.00 million. Since €40.50 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €5.04 million, standing at €848.47 million.

The yield from the 92-day bill auction was 2.100%, increasing by 7.50 basis points from bids with a similar tenor issued on 1 December 2022, representing a bid price of €99.4662 per €100 nominal. The yield from the 183-day bill auction was 2.422%, increasing by 11.20 basis points from bids with a similar tenor also issued on 1 December 2022, representing a bid price of €98.7838 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 16 March and 15 June 2023, respectively.