

Money Market Report for the week ending 7 October 2022

ECB Monetary Operations

On 3 October 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 4 October 2022 and attracted bids from euro area eligible counterparties of €3.67 billion, €0.82 billion less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 1.25%, in accordance with current ECB policy.

On 5 October 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 3.33%.

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 6 October 2022, maturing on 5 January and 6 April 2023, respectively. Bids of €132.30 million were submitted for the 91-day bills, with the Treasury accepting €45.00 million, while bids of €10.75 million were submitted for the 182-day bills, with the Treasury accepting all. Since €61.50 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €5.75 million, standing at €980.75 million.

The yield from the 91-day bill auction was 0.923%, decreasing by 2.30 basis points from bids with a similar tenor issued on 29 September 2022, representing a bid price of €99.7672 per €100 nominal. The yield from the 182-day bill auction was 1.777%, increasing by 17.00 basis points from bids with a similar tenor also issued on 29 September 2022, representing a bid price of €99.1096 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 12 January and 13 April 2023, respectively.