

Money Market Report for the week ending 8 July 2022

ECB Monetary Operations

On 4 July 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 5 July 2022 and attracted bids from euro area eligible counterparties of €1,040.50 million, €442.00 million less 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 July 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 \$184.50 million, which was allotted in full at a fixed rate of 1.83%.

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 July 2022, maturing on 6 October 2022 and 5 January 2023, respectively. Bids of €55.00 million were submitted for the 91-day bills, with the Treasury accepting €42.00 million, while bids of €20.00 million were submitted for the 182-day bills, with the Treasury accepting €18.00 million. Since €54.70 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €5.30 million, standing at €867.40 million.

The yield from the 91-day bill auction was 0.093%, increasing by 5.3 basis points from bids with a similar tenor issued on 30 June 2022, representing a bid price of €99.9765 per €100 nominal. The yield from the 182-day bill auction was 0.431%, increasing by 3.1 basis points from bids with a similar tenor also issued on 30 June 2022, representing a bid price of €99.7826 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 273-day bills maturing on 13 October 2022 and 13 April 2023, respectively.