

## **Money Market Report for the week ending 16 September 2022**

### **ECB Monetary Operations**

On 12 September 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 13 September 2022 and attracted bids from euro area eligible counterparties of €3.93 billion, €0.25 million more 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 14 September 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 \$209.60 million, which was allotted in full at a fixed rate of 2.58%.

During the week under review, participants in the TLTRO-III operations 2 to 10 had the option of terminating or reducing their outstanding amount before maturity. Accordingly, on 28 September 2022 a total of € 6,491.6 million will be repaid.

### **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 15 September 2022, maturing on 15 December 2022 and 16 March 2023, respectively. Bids of €64.00 million were submitted for the 91-day bills, with the Treasury accepting €34.00 million, while bids of €28.00 million were submitted for the 182-day bills, with the Treasury accepting €19.00 million. Since €32.00 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €21.00 million, standing at €984.00 million.

The yield from the 91-day bill auction was 0.793%, increasing by 27.2 basis points from bids with a similar tenor issued on 7 September 2022, representing a bid price of €99.7999 per €100 nominal. The yield from the 182-day bill auction was 1.442%, increasing by 28.5 basis points from bids with a similar tenor also issued on 7 September 2022, representing a bid price of €99.2763 per €100 nominal.

During this week, secondary market turnover in Malta Government Treasury bills amounted to €43.51 million, all executed on the On-exchange market of the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 363-day bills maturing on 22 December 2022 and 20 September 2023, respectively.