

Money Market Report for the week ending 24 June 2022

ECB Monetary Operations

On 20 June 2022, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 21 June 2022 and attracted bids from euro area eligible counterparties of €688.00 million, €19.00 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 22 June 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 \$184.40 million, which was allotted in full at a fixed rate of 1.84%.

Domestic Treasury Bill Market

In the domestic primary market for Treasury bills, the Treasury invited tenders for 182-day and 273-day bills for settlement value 23 June 2022, maturing on 22 December 2022 and 23 March 2023, respectively. Bids of €18.00 million and €19.00 million were submitted for the 182-day and 273-day bills, respectively, with the Treasury accepting all submitted bids. Since €54.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €17.00 million, standing at €847.10 million.

The yield from the 182-day bill auction was 0.390%, increasing by 10.0 basis points from bids with a similar tenor issued on 16 June 2022, representing a bid price of €99.8032 per €100 nominal. The yield from the 273-day bill auction was 0.854%, increasing by 110.9 basis points from bids with a similar tenor issued on 5 May 2022, representing a bid price of €99.3566 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 29 September and 29 December 2022, respectively.