

## **Money Market Report for the week ending 19 May 2023**

### **ECB Monetary Operations**

On 15 May 2023, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 16 May 2023 and attracted bids from euro area eligible counterparties of €1,410.00 million, €83.00 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 3.75%, in accordance with current ECB policy.

On 17 May 2023, the ECB conducted the 6-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$391.00 million, which was allotted in full at a fixed rate of 5.33%.

### **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 18 May 2023, maturing on 17 August and 16 November 2023, respectively. Bids of €239.62 million were submitted for the 91-day bills, with the Treasury accepting €44.47 million, while bids of €32.77 million were submitted for the 182-day bills, with the Treasury accepting €19.49 million. Since €45.95 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €18.01 million, standing at €822.27 million.

The yield from the 91-day bill auction was 3.197%, increasing by 4.10 basis points from bids with a similar tenor issued on 11 May 2023, representing a bid price of €99.1983 per €100 nominal. The yield from the 182-day bill auction was 3.151%, increasing by 10.50 basis points from bids with a similar tenor issued on 4 May 2023, representing a bid price of €98.4320 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 24 August and 23 November 2023, respectively.