

## **Money Market Report for the week ending 7 July 2023**

### **ECB Monetary Operations**

On 3 July 2023, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 4 July 2023 and attracted bids from euro area eligible counterparties of €12,536.00 million, €6,022.60 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 4.00%, in accordance with current ECB policy.

On 5 July 2023, 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 \$243.00 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 6 July 2023, maturing on 5 October 2023 and 4 January 2024. Bids of €105.61 million were submitted for the 91-day bills, with the Treasury accepting €26.30 million, while bids of €19.63 million were submitted for the 182-day bills, with the Treasury accepting €14.12 million. Since €49.70 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €9.29 million, standing at €930.10 million.

The yield from the 91-day bill auction was 3.407%, decreasing by 1.30 basis points from bids with a similar tenor issued on 28 June 2023, representing a bid price of €99.1461 per €100 nominal. The yield from the 182-day bill auction was 3.292%, decreasing by 0.60 basis point from bids with a similar tenor also issued on 28 June 2023, representing a bid price of €98.3630 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 October 2023 and 11 January 2024, respectively.