

## **Money Market Report for the week ending 6 January 2023**

### **ECB Monetary Operations**

On 2 January 2023, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 3 January 2023 and attracted bids from euro area eligible counterparties of €1.12 billion, €1.28 billion less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.50%, in accordance with current ECB policy.

On 4 January 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 \$0.19 billion, which was allotted in full at a fixed rate of 4.58%.

### **Domestic Treasury Bill Market**

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day and 181-day bills for settlement value 5 January 2023, maturing on 6 April and 6 July 2023, respectively. Bids of €199.96 million were submitted for the 91-day bills, with the Treasury accepting €39.96 million, while bids of €17.15 million were submitted for the 181-day bills, with the Treasury accepting €12.15 million. Since €63.00 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €10.89 million, standing at €835.80 million.

The yield from the 91-day bill auction was 2.354%, increasing by 12.90 basis points from bids with a similar tenor issued on 29 December 2022, representing a bid price of €99.4085 per €100 nominal. The yield from the 181-day bill auction was 2.504%, increasing by 10.00 basis points from bids with a similar tenor also issued on 29 December 2022, representing a bid price of €98.7499 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 13 April and 13 July 2023, respectively.