

Money Market Report for the week ending 21 April 2023

ECB Monetary Operations

On 17 April 2023, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 18 April 2023 and attracted bids from euro area eligible counterparties of €1,534.50 million, €87.00 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 3.50%, in accordance with current ECB policy.

On a daily basis, the ECB conducted the 7-day US dollar funding operations through collateralised lending in conjunction with the US Federal Reserve. The four operations attracted total bids of \$417.80 million, at the rate of 5.08%.

Domestic Treasury Bill Market

In the domestic primary market for Treasury bills, the Treasury invited tenders for 91-day and 364-day bills for settlement value 20 April 2023, maturing on 20 July 2023 and 18 April 2024, respectively. Bids of €248.16 million were submitted for the 91-day bills, with the Treasury accepting €30.61 million, while bids of €29.25 million were submitted for the 364-day bills, with the Treasury accepting €13.15 million. Since €47.30 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €3.54 million, standing at €782.31 million.

The yield from the 91-day bill auction was 2.951%, decreasing by 0.2 basis points from bids with a similar tenor issued on 13 April 2023, representing a bid price of €99.2596 per €100 nominal. The yield from the 364-day bill auction was 3.041%, decreasing by 8.90 basis points from bids with a similar tenor issued on 23 March 2023, representing a bid price of €97.0169 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 27 July and 26 October 2023, respectively.