

Money Market Report for the week ending 12 July 2024

ECB Monetary Operations

On 8 July 2024, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 9 July 2024 and attracted bids from euro area eligible counterparties of €5,334.00 million, €1,370.00 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 4.25%, in accordance with current ECB policy.

On 10 July 2024, the ECB conducted a 7-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$156.70 million, which were allotted in full at a fixed rate of 5.58%.

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 11 July 2024, maturing on 10 October 2024 and 9 January 2025, respectively. Bids of €92.29 million were submitted for the 91-day bills, with the Treasury accepting €15.10 million, while bids of €61.34 million were submitted for the 182-day bills, with the Treasury accepting €2.98 million. Since €26.78 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €8.70 million, standing at €572.56 million.

The yield from the 91-day bill auction was 3.521%, decreasing by 3.30 basis points from bids with a similar tenor issued on 4 July 2024, representing a bid price of €99.1178 per €100 nominal. The yield from the 182-day bill auction was 3.352%, decreasing by 19.90 basis points from bids with a similar tenor also issued on 4 July 2024, representing a bid price of €98.3336 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 17 October 2024 and 16 January 2025, respectively.