

Money Market Report for the week ending 29 March 2024

ECB Monetary Operations

On 25 March 2024, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 26 March 2024 and attracted bids from euro area eligible counterparties of €5,912.00 million, €3,908.00 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 4.50%, in accordance with current ECB policy.

Also on 26 March 2024, the ECB conducted the three-month, longer-term refinancing operation to be settled as a fixed rate tender procedure with full allotment, with the rate fixed at the average MRO rate over the life of the operation. The operation attracted bids of €4,663.00 million from euro area eligible counterparties.

On 27 March 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 \$186.60 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 bill for settlement value 28 March 2024, maturing on 27 June 2024. Bids of €66.52 million were submitted for the 91-day bills, with the Treasury accepting €26.27 million. Since €17.03 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €9.24 million, standing at €504.75 million.

The yield from the 91-day bill auction was 2.923%, increasing by 6.10 basis points from bids with a similar tenor issued on 21 March 2024, representing a bid price of €99.2665 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 bill maturing on 4 July 2024.