

Money Market Report for the week ending 3 May 2024

ECB Monetary Operations

On 29 April 2024, the European Central Bank (ECB) announced a 6-day main refinancing operation (MRO). The operation was conducted on 30 April 2024 and attracted bids from euro area eligible counterparties of €1,953.00 million, €2,502.00 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 4.50%, in accordance with current ECB policy.

Also on 30 April 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 €355.00 million from euro area eligible counterparties.

Furthermore, on 30 April 2024, the ECB conducted an 8-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$124.60 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 and 182-day bills for settlement value 2 May 2024, maturing on 1 August and 31 October 2024, respectively. Bids of €102.57 million were submitted for the 91-day bills, with the Treasury accepting €33.87 million, while bids of €35.59 million were submitted for the 182-day bills, with the Treasury accepting €5.59 million. Since €24.24 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €15.22 million, standing at €497.90 million.

The yield from the 91-day bill auction was 3.573%, increasing by 15.80 basis points from bids with a similar tenor issued on 25 April 2024, representing a bid price of €99.1049 per €100 nominal. The yield from the 182-day bill auction was 3.181%, increasing by 5.80 basis points from bids with a similar tenor also issued on 25 April 2024, representing a bid price of €98.4173 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 8 August and 7 November 2024, respectively.