

Money Market Report for the week ending 9 February 2024

ECB Monetary Operations

On 5 February 2024, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 6 February 2024 and attracted bids from euro area eligible counterparties of €4,740.00 million, €1,637.00 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.

On 7 February 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 \$222.00 million, which were allotted in full at a fixed rate of 5.57%.

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 8 February 2024, maturing on 9 May and 8 August 2024, respectively. Bids of €81.85 million were submitted for the 91-day bills, with the Treasury accepting €19.67 million, while bids of €23.88 million were submitted for the 182-day bills, with the Treasury accepting €3.92 million. Since €47.48 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €23.89 million, standing at €692.93 million.

The yield from the 91-day bill auction was 3.457%, decreasing by 5.10 basis points from bids with a similar tenor issued on 1 February 2024, representing a bid price of €99.1337 per €100 nominal. The yield from the 182-day bill auction was 3.382%, decreasing by 7.80 basis points from bids with a similar tenor also issued on 1 February 2024, representing a bid price of €98.3190 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 181-day bills maturing on 16 May and 14 August 2024, respectively.