

Money Market Report for the week ending 11 October 2024

ECB Monetary Operations

On 7 October 2024, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 8 October 2024 and attracted bids from euro area eligible counterparties of €6,840.00 million, €1,306.00 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 3.65%, in accordance with current ECB policy.

On 9 October 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 \$153.50 million, which were allotted in full at a fixed rate of 5.08%.

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 10 October 2024, maturing on 9 January and 10 April 2025, respectively. Bids of €46.07 million were submitted for the 91-day bills, with the Treasury accepting €15.22 million, while bids of €3.85 million were submitted for the 182-day bills, with the Treasury accepting €3.69 million. Since €15.10 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €3.81 million, standing at €362.14 million.

The yield from the 91-day bill auction was 2.762%, increasing by 1.60 basis points from bids with a similar tenor issued on 3 October 2024, representing a bid price of €99.3067 per €100 nominal. The yield from the 182-day bill auction was 2.513%, decreasing by 2.10 basis points from bids with a similar tenor also issued on 3 October 2024, representing a bid price of €98.7455 per €100 nominal.

During this week, secondary market turnover in Malta Government Treasury bills amounted to €307,000, all executed on the On-exchange market of the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 182-day bills maturing on 16 January and 17 April 2025, respectively.