

Money Market Report for the week ending 20 December 2024

ECB Monetary Operations

On 16 December 2024, the European Central Bank (ECB) announced the 5-day Main Refinancing Operation (MRO). The operation was conducted on 17 December 2024 and attracted bids from euro area eligible counterparties of €7,952.00 million, €3,080.00 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 3.15%, in accordance with current ECB policy.

Also on 17 December 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 €11,026.50 million from euro area eligible counterparties.

On 18 December 2024, the ECB conducted a 21-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$1,119.70 million, which were allotted in full at a fixed rate of 4.59%.

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 19 December 2024, maturing on 20 March and 19 June 2025, respectively. Bids of €88.95 million were submitted for the 91-day bills, with the Treasury accepting €73.95 million, while bids of €30.36 million were submitted for the 182-day bills, with the Treasury accepting all of them. Since €27.32 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €76.99 million, standing at €684.56 million.

The yield from the 91-day bill auction was 2.993%, increasing by 3.30 basis points from bids with a similar tenor issued on 12 December 2024, representing a bid price of €99.2491 per €100 nominal. The yield from the 182-day bill auction was 2.656%, increasing by 0.50 basis points from bids with a similar tenor also issued on 12 December 2024, representing a bid price of €98.6750 per €100 nominal.

During the week, there was no trading on the Malta Stock Exchange.

This week the Treasury will invite tenders for 90-day and 181-day bills maturing on 27 March and 26 June 2025, respectively.