

Money Market Report for the week ending 25 October 2024

ECB Monetary Operations

On 21 October 2024, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 22 October 2024 and attracted bids from euro area eligible counterparties of €9,957.00 million, €394.00 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 3.40%, in accordance with current ECB policy.

On 23 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 \$155.20 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 24 October 2024, maturing on 23 January and 24 April 2025, respectively. Bids of €58.48 million were submitted for the 91-day bills, with the Treasury accepting €28.08 million, while bids of €13.26 million were submitted for the 182-day bills, with the Treasury accepting €11.00 million. Since €24.07 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €15.01 million, standing at €365.02 million.

The yield from the 91-day bill auction was 2.813%, increasing by 2.50 basis points from bids with a similar tenor issued on 17 October 2024, representing a bid price of €99.2940 per €100 nominal. The yield from the 182-day bill auction was 2.517%, decreasing by 3.80 basis points from bids with a similar tenor also issued on 17 October 2024, representing a bid price of €98.7435 per €100 nominal.

During this week, secondary market turnover in Malta Government Treasury bills amounted to €400,000, all executed on the On-exchange market of the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 181-day bills maturing on 30 January and 30 April 2025, respectively.