

Money Market Report for the week ending 6 December 2024

ECB Monetary Operations

On 2 December 2024, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 3 December 2024 and attracted bids from euro area eligible counterparties of €6,663.00 million, €3,780.50 million less 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 4 December 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 \$93.90 million, which were allotted in full at a fixed rate of 4.83%.

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 5 December 2024, maturing on 6 March and 5 June 2025, respectively. Bids of €105.27 million were submitted for the 91-day bills, with the Treasury accepting €31.49 million, while bids of €34.10 million were submitted for the 182-day bills, with the Treasury accepting €3.49 million. Since €11.79 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €23.19 million, standing at €537.44 million.

The yield from the 91-day bill auction was 2.983%, decreasing by 4.30 basis points from bids with a similar tenor issued on 28 November 2024, representing a bid price of €99.2516 per €100 nominal. The yield from the 182-day bill auction was 2.596%, increasing by 2.00 basis points from bids with a similar tenor also issued on 28 November 2024, representing a bid price of €98.7046 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €500,000, 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 13 March and 12 June 2025, respectively.