

Money Market Report for the week ending 21 February 2025

ECB Monetary Operations

On 17 February 2025, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 18 February 2025 and attracted bids from euro area eligible counterparties of €8,719.50 million, €2,545.50 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.90%, in accordance with current ECB policy.

On 19 February 2025, 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 \$84.40 million, which were allotted in full at a fixed rate of 4.58%.

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 20 February 2025, maturing on 22 May and 21 August 2025, respectively. Bids of €68.74 million were submitted for the 91-day bills, with the Treasury accepting €24.76 million, while bids of €20.73 million were submitted for the 182-day bills, with the Treasury accepting €4.54 million. Since €57.95 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €28.66 million, standing at €706.82 million.

The yield from the 91-day bill auction was 2.608%, decreasing by 1.00 basis points from bids with a similar tenor issued on 13 February 2025, representing a bid price of €99.3451 per €100 nominal. The yield from the 182-day bill auction was 2.434%, decreasing by 4.20 basis points from bids with a similar tenor also issued on 13 February 2025, representing a bid price of €98.7844 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €566,000, 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 29 May and 28 August 2025, respectively.