

Money Market Report for the week ending 14 March 2025

ECB Monetary Operations

On 10 March 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 11 March 2025 and attracted bids from euro area eligible counterparties of €6,612.50 million, €1,322.50 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.65%, in accordance with current ECB policy.

On 12 March 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 \$110.50 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 13 March 2025, maturing on 12 June and 11 September 2025, respectively. Bids of €60.23 million were submitted for the 91-day bills, with the Treasury accepting €12.86 million, while bids of €36.43 million were submitted for the 182-day bills, with the Treasury accepting €9.90 million. Since €57.12 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €34.37 million, standing at €627.25 million.

The yield from the 91-day bill auction was 2.405%, decreasing by 6.20 basis points from bids with a similar tenor issued on 6 March 2025, representing a bid price of €99.3957 per €100 nominal. The yield from the 182-day bill auction was 2.293%, decreasing by 5.20 basis points from bids with a similar tenor also issued on 6 March 2025, representing a bid price of €98.8540 per €100 nominal.

During the 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 182-day bills maturing on 19 June and 18 September 2025, respectively.