

Money Market Report for the week ending 14 February 2025

ECB Monetary Operations

On 10 February 2025, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 11 February 2025 and attracted bids from euro area eligible counterparties of €6,174.00 million, €776.00 million less 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 12 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 \$85.60 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 February 2025, maturing on 15 May and 14 August 2025, respectively. Bids of €84.76 million were submitted for the 91-day bills, with the Treasury accepting €24.74 million, while bids of €28.31 million were submitted for the 182-day bills, with the Treasury accepting €5.60 million. Since €48.01 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €17.67 million, standing at €735.47 million.

The yield from the 91-day bill auction was 2.618%, decreasing by 3.00 basis points from bids with a similar tenor issued on 6 February 2025, representing a bid price of €99.3426 per €100 nominal. The yield from the 182-day bill auction was 2.476%, decreasing by 4.80 basis points from bids with a similar tenor also issued on 6 February 2025, representing a bid price of €98.7637 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €188,000, 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 22 May and 21 August 2025, respectively.