

Money Market Report for the week ending 22 August 2025

ECB Monetary Operations

On 18 August 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 19 August 2025 and attracted bids from euro area eligible counterparties of €7,844.50 million, €1,324.50 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.15%, in accordance with current ECB policy.

On 20 August 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 \$39.50 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 21 August 2025, maturing on 20 November 2025 and 19 February 2026, respectively. Bids of €35.95 million were submitted for the 91-day bills, with the Treasury accepting €23.75 million, while bids of €27.95 million were submitted for the 182-day bills, with the Treasury accepting €3.70 million. Since €38.78 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €11.34 million, standing at €599.96 million.

The yield from the 91-day bill auction was 1.975%, unchanged from bids with a similar tenor issued on 14 August 2025, representing a bid price of €99.5032 per €100 nominal. The yield from the 182-day bill auction was 1.899%, decreasing by 3.40 basis points from bids with a similar tenor also issued on 14 August 2025, representing a bid price of €99.0491 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €200,000, 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 27 November 2025 and 26 February 2026, respectively.