

Money Market Report for the week ending 9 May 2025

ECB Monetary Operations

On 5 May 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 6 May 2025 and attracted bids from euro area eligible counterparties of €10,639.50 million, €4,969.50 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.40%, in accordance with current ECB policy.

On 7 May 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 \$30.00 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 273-day bills for settlement value 8 May 2025, maturing on 7 August 2025 and 5 February 2026, respectively. Bids of €65.59 million were submitted for the 91-day bills, with the Treasury accepting €27.98 million, while bids of €50.08 million were submitted for the 273-day bills, with the Treasury accepting €8.54 million. Since €28.65 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €7.87 million, standing at €583.20 million.

The yield from the 91-day bill auction was 2.036%, decreasing by 7.00 basis points from bids with a similar tenor issued on 30 April 2025, representing a bid price of €99.4880 per €100 nominal. The yield from the 273-day bill auction was 1.958%, decreasing by 150.00 basis points from bids with a similar tenor issued on 25 January 2024, representing a bid price of €98.5369 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €90,000, all executed on the On-exchange market of the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 273-day bills maturing on 14 August 2025 and 12 February 2026, respectively.