

Money Market Report for the week ending 30 May 2025

ECB Monetary Operations

On 26 May 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 27 May 2025 and attracted bids from euro area eligible counterparties of €10,690.00 million, €127.00 million more 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.

Also on 27 May 2025, the ECB conducted the three-month, longer-term refinancing operation to be settled as a fixed rate tender procedure with full allotment, with the rate fixed at the average MRO rate over the life of the operation. The operation attracted bids of €1,955.00 million from euro area eligible counterparties

On 28 May 2025, the ECB conducted a 6-day US dollar funding operation through collateralised lending in conjunction with the US Federal Reserve. This operation attracted bids of \$16.00 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 182-day bills for settlement value 29 May 2025, maturing on 28 August 2025 and 27 November 2025, respectively. Bids of €14.80 million were submitted for the 91-day bills, with the Treasury accepting €14.15 million, while bids of €6.49 million were submitted for the 182-day bills, with the Treasury accepting them all. Since €7.72 million worth of bills matured during the week, the outstanding balance of Treasury bills increased by €12.92 million, standing at €626.00 million.

The yield from the 91-day bill auction was 1.997%, decreasing by 3.00 basis points from bids with a similar tenor issued on 22 May 2025, representing a bid price of €99.4977 per €100 nominal. The yield from the 182-day bill auction was 1.959%, decreasing by 3.60 basis points from bids with a similar tenor also issued on 22 May 2025, representing a bid price of €99.0193 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €1,590,000, 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 4 September 2025 and 4 December 2025, respectively.