

Money Market Report for the week ending 5 September 2025

ECB Monetary Operations

On 1 September 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 2 September 2025 and attracted bids from euro area eligible counterparties of €7,827.50 million, €2,287.00 million less than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.15%, in accordance with current ECB policy.

On 3 September 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 \$49.00 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 4 September 2025, maturing on 4 December 2025 and 5 March 2026, respectively. Bids of €32.30 million were submitted for the 91-day bills, with the Treasury accepting €12.54 million, while bids of €28.52 million were submitted for the 182-day bills, with the Treasury accepting €3.43 million. Since €28.27 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €12.29 million, standing at €586.94 million.

The yield from the 91-day bill auction was 1.955%, decreasing by 0.60 basis point from bids with a similar tenor issued on 28 August 2025, representing a bid price of €99.5082 per €100 nominal. The yield from the 182-day bill auction was 1.840%, decreasing by 4.50 basis points from bids with a similar tenor also issued on 28 August 2025, representing a bid price of €99.0784 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €110,000, 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 11 December 2025 and 12 March 2026, respectively.