

Money Market Report for the week ending 7 February 2025

ECB Monetary Operations

On 3 February 2025, the European Central Bank (ECB) announced the 7-day main refinancing operations (MRO). The operation was conducted on 4 February 2025 and attracted bids from euro area eligible counterparties of €6,950.00 million, €4,909.00 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 5 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 \$64.80 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 6 February 2025, maturing on 8 May and 7 August 2025, respectively. Bids of €99.89 million were submitted for the 91-day bills, with the Treasury accepting €20.15 million, while bids of €35.99 million were submitted for the 182-day bills, with the Treasury accepting €8.14 million. Since €49.76 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €21.47 million, standing at €753.15 million.

The yield from the 91-day bill auction was 2.648%, decreasing by 22.70 basis points from bids with a similar tenor issued on 30 January 2025, representing a bid price of €99.3351 per €100 nominal. The yield from the 182-day bill auction was 2.524%, decreasing by 7.10 basis points from bids with a similar tenor also issued on 30 January 2025, representing a bid price of €98.7401 per €100 nominal.

During the week, secondary market turnover in Malta Government Treasury bills amounted to €230,000, 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 15 May and 14 August 2025, respectively.