

Money Market Report for the week ending 29 August 2025

ECB Monetary Operations

On 25 August 2025, the European Central Bank (ECB) announced the 7-day main refinancing operation (MRO). The operation was conducted on 26 August 2025 and attracted bids from euro area eligible counterparties of €10,114.50 million, €2,270.00 million more than the previous week. The amount was allotted in full at a fixed rate equivalent to the prevailing MRO rate of 2.15%, in accordance with current ECB policy.

Also on 26 August 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 €2,226.50 million from euro area eligible counterparties.

On 27 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 \$39.30 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 28 August 2025, maturing on 27 November 2025 and 26 February 2026, respectively. Bids of €39.87 million were submitted for the 91-day bills, with the Treasury accepting €14.48 million, while bids of €27.48 million were submitted for the 182-day bills, with the Treasury accepting €6.33 million. Since €21.54 million worth of bills matured during the week, the outstanding balance of Treasury bills decreased by €0.73 million, standing at €599.23 million.

The yield from the 91-day bill auction was 1.961%, decreasing by 1.40 basis points from bids with a similar tenor issued on 21 August 2025, representing a bid price of €99.5067 per €100 nominal. The yield from the 182-day bill auction was 1.885%, decreasing by 1.40 basis points from bids with a similar tenor also issued on 21 August 2025, representing a bid price of €99.0560 per €100 nominal.

During the week, there was no trading on the Malta Stock Exchange.

This week the Treasury will invite tenders for 91-day and 182-day bills maturing on 4 December 2025 and 5 March 2026, respectively.