



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG MARKET OPERATIONS

8 March 2024

ECB Money Market Contact Group

Thursday, 14 March 2024, 12:00-17.30 CET

Agenda March MMCG

A) Welcome address by Executive Board member Isabel Schnabel

B) Main developments in money markets and ECB policy outlook

Oliver Deutscher (DZ Bank) will assess the main developments in money markets since the last MMCG on 5 December 2023, including market reactions to the decisions taken by the ECB and expectations for forthcoming monetary policy meetings. The discussion will also cover money market functioning aspects, especially in view of TLTRO III repayments and the decline in excess liquidity overall.

C) Demand for central bank reserves

Ileana Pietraru (Société Générale) and Harry-David Gauvin (HSBC Continental Europe) will discuss the factors influencing banks' demand for central bank reserves, their distribution across banks and the implications for banks' money market activity. The discussion will also focus on which of these factors may be most binding and which metrics might provide indications of liquidity conditions becoming less ample.

D) Redistribution of liquidity in the money market in the face of a declining Eurosystem balance sheet

Patrick Chauvet (BNP Paribas) and Luis Barrigon Rodriguez (Banco Santander) will introduce the topic by looking into the current and future liquidity redistribution channels in the euro area money market. The discussion will also cover potential impediments to a smooth redistribution of liquidity and implications of such impediments for segmentation risk in euro area money markets.