



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG MARKET OPERATIONS

5 June 2020

ECB Money Market Contact Group

Tuesday, 16 June 2020 14:00 – 16:30 CET

Teleconference

AGENDA

1) Review of developments in the money market

With money market stress somehow receding, the discussion will focus on those money market segments most affected by the COVID-19 outbreak.

- a) Michael Schneider (DZ Bank) will present the latest developments on EURIBOR and on the spread with equivalent risk-free rates (OIS), focusing on the drivers behind the observed trends.
- b) Harald Endres (BayernLB) and Olivier Hubert (Natixis) will present the latest developments in the issuance of Commercial Paper - with a focus on STEP and NEUCP longer tenors (3-month and above) - and an update on the situation of Money Market Funds.
- c) Patrick Chauvet (BNP Paribas) will present recent developments in the USD funding conditions and in the FX swap market in preparation for the June quarter-end. The low recourse to the recent the 7-day and 84-day USD funding swap operations will be assessed.

2) Remote working arrangements and banks' liquidity management

Harry-David Gauvin (HSBC) will review the main organisational developments in the banking industry during the COVID-19 lock-down. Members will reflect on the impact on productivity from home working and virtual teams. This should pave the way for a debate on whether and to what extent some of these organisational changes to the working practices may become permanent.

3) Market views on the recent ECB monetary policy measures

ECB liquidity response since the outbreak of the crisis included the provision of new funding at favourable rates, the expansion of asset purchases programmes, collateral easing measures and the relaxation of some of the supervisory requirements.

- d) Xavier Combis (Caixabank) will present the market expectations on the TLTRO III and PELTRO uptakes (both for the forthcoming 24 June 2020 operations and for those envisaged for later).
- e) Frank Beset (Rabobank) will present market insights on further ECB policy measures. The presentation may trigger a discussion on whether some elements of the ECB policy response to the crisis could feed into the upcoming strategic review of the ECB monetary policy instruments.

4) Developments related to the euro short-term rate (€STR) benchmark

Jaap Kes (ING) will review the main developments of €STR during the COVID-19 outbreak.