



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG MARKET OPERATIONS

5 August 2021

ECB Money Market Contact Group

Wednesday, 15 September 2021, 13:00 – 15:30 CET

Teleconference

AGENDA

1. Outcome of the European Central Bank strategy review and its impact on euro money markets

Patrick Chauvet (BNP Paribas) will present the banking sector's views on the recently announced outcome of the European Central Bank (ECB) strategy review. The presentation will review the impact on expectations in money markets with regard to key elements of the strategy review outcome. The group will also discuss how the Governing Council reflected the new strategy in its formulation of the policy decisions in July and September 2021.

2. Exit from unconventional monetary policy tools in response to the coronavirus pandemic and its impact on euro money markets

Maria Cristina Lege (Intesa Sanpaolo) will present the banking industry's views on the exit path the ECB may follow to withdraw the unconventional monetary policy tools it introduced in response to the coronavirus (COVID-19) pandemic. This includes the potential exit from (i) the third series of targeted longer-term refinancing operations (TLTRO III), (ii) the collateral easing measures, (iii) pandemic emergency longer-term refinancing operations (PELTROs) and (iv) the pandemic emergency purchase programme (PEPP). The members will also discuss their expectations for the implications for money markets rates and volumes that could stem from the eventual reduction in excess liquidity, with a special focus on rates and volumes in the unsecured and repo segments.

3. The consequences of central bank digital currencies for the functioning of the banking system, liquidity management and money markets

A colleague from the Directorate General Market Infrastructure and Payments will report on the ECB's work on a central bank digital currency (CBDC) for the euro area, i.e. the digital euro. Andreas Biewald (Commerzbank) will assess the potential impact of a digital euro on banking system liquidity conditions, the sustainability of banks' business models, intraday liquidity management, money market functioning and monetary policy implementation modalities. The group will discuss the opportunities and challenges of CBDC.