

# General Information on Treasury Bills

Treasury Bills are short-term, marketable, zero-coupon financial instruments issued with maturities of up to one year. Treasury Bills are issued at a discount and are redeemed at face (nominal) value. These debt securities constitute a useful cash management tool for the Treasury Department, primarily to cover temporary imbalances in the government's weekly cash flows and, secondly, to maintain liquidity in the domestic secondary market for Treasury Bills.

The issuance of Treasury Bills is governed by the [Government Borrowing and Management of Public Debt Act \(Cap. 575\)](#), the [Malta Treasury Bills Regulations](#), and the [Treasury Bills General Prospectus](#).

## Mechanism Of Issuance

Treasury Bills are issued every week through a competitive bidding process (auction). The Treasury Bills auction is typically held every Tuesday of the week, and the settlement date is fixed for the following Thursday (T+2 settlement cycle). When the auction date or the settlement date, or any day in between the auction date and the settlement date, falls on a non-business day, the auction takes place on the first business day of the same week.

The Treasury Department focuses its issuances on the 91-day tenor, which constitutes the money market benchmark, although issues may also include a mix of 28-day, 182-day, 273-day and 364-day Treasury Bills.

A monthly [auction calendar](#), with details of the tenors, auction date and settlement date of individual weekly issues of Treasury Bills is communicated to the Malta Stock Exchange and published in the Government Gazette in advance on a monthly basis.

The closing time for both the Treasury Bill auction and financial settlement is fixed at 10.00 a.m. Central European Time (CET). Presently, the auction is conducted manually, and the allotment of Treasury Bills is determined by the multiple-price Dutch auction method, that is, the price payable by each successful bidder is the price tendered in the auction.

Participation in Treasury Bill auctions is open to both members of the public and institutional investors irrespective of the residency of the bidder.

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Bids can be sent to the Treasury Department at the e-mail addresses indicated on the prescribed [tender forms](#) or on fax number (+00356) 2596 7210.

Treasury Bill [auction results](#), which include successful and unsuccessful bids, are published on the Treasury Department's website as soon as possible after the auction closing time. Successful bidders are notified via email through a personalised Letter of Acceptance.

Information on secondary market prices and yields as well as further information on Treasury Bills can be accessed on the [Malta Stock Exchange website](#) and from the [Central Bank of Malta website](#).