



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG MARKET OPERATIONS

28 January 2020

Money Market Contact Group

WORK PROGRAMME FOR 2020

This document sets out the work programme for Money Market Contact Group (MMCG) meetings in 2020. That work programme may be adjusted in order to address unforeseen events and specific topics of interest. The MMCG will hold four regular meetings in 2020, three of which will take place at the ECB's premises. The dates of the MMCG's meetings are published on the [ECB's website](#).

A. Regular items

At each meeting, members of the MMCG will, on a rotating basis, give presentations on the **general outlook for the money market and other relevant issues with an impact on one or more segments of the money market** (unsecured segment, repos, foreign exchange swaps, interest rate swaps or issuance of short-term securities). Those presentations will be followed by a general discussion framed by the MMCG's mandate, which will cover a number of policy-relevant issues specified by the ECB ahead of each meeting.

B. Special items for 2020

- i. **The drivers of monetary policy, the review of the monetary policy strategy and their impact on money markets**
- ii. **The impact that TLTRO III take-up and the ECB's two-tier system for remunerating excess liquidity holdings have on euro money markets**
- iii. **Experience gained in other jurisdictions in terms of managing the decline in aggregate excess liquidity, and lessons to be learned for the euro area**
- iv. **The intended and unintended consequences of regulation for euro money markets**
- v. **The impact that negative interest rates, central banks' forward guidance and the level of excess liquidity have on banks' profitability**
- vi. **Structural changes in money markets and their implications for the organisation of MMCG banks**

- vii. **The growing role of non-banks in the money markets, and the impact that volatility-targeting strategies and related investment products have on money market liquidity**
- viii. **Technological innovation in the field of market infrastructure and payments that affects euro money markets and banks' liquidity management**
- ix. **“Green finance” and the ways in which responsible investment could help to shape the money market in the future**
- x. **The reform of euro money market benchmarks and the transition to new benchmark rates for the euro area**
- xi. **The implications of Brexit for the euro money market and euro area banks**

Cooperation with other ECB contact groups in the area of market operations: The chairs and secretaries of the other ECB contact groups in the area of market operations (the Operations Managers Group, the Foreign Exchange Contact Group and the Bond Market Contact Group) will continue to inform each other about ongoing work in areas of mutual interest.