

## Money Market Contact Group

### WORK PROGRAMME FOR 2021

This document sets out the work programme for Money Market Contact Group (MMCG) meetings in 2021. 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 2021, some of which will take place virtually, while the mode and location of the remaining meetings will be decided depending on the evolution of the coronavirus (COVID-19) pandemic. 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 euro money markets and other relevant issues with an impact on any of its five segments** (secured, unsecured, short-term securities issuance, foreign exchange swaps, and overnight index swaps). 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 2021

- i. The review of the ECB monetary policy strategy and its 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. The impact that negative interest rates and the level of excess liquidity have on banks' profitability
- iv. The growing role of non-banks in money markets
- v. Environmental, social and governance (ESG) criteria for sustainable finance and the ways in which responsible and green investment could help to shape the money market in the future
- vi. The impact that volatility-targeting strategies and related investment products have on money market liquidity

- vii. **The future of non-standard policy measures, covering their benefits versus their side effects for money markets and euro area banks**
- viii. **The implications of Brexit for central clearing counterparties' location and issuance of short-term securities**
- ix. **The impact of the reform of euro money market benchmarks on the euro money markets, covering the process of transition from EONIA to the €STR, EURIBOR fall-backs and the impact of LIBOR's cessation**
- x. **The effect of regulation on euro money market activity concentrated on secured centrally cleared transactions and the impact of reporting dates on different segments**
- xi. **Technological innovation in the field of market infrastructure and payments that affects euro money markets and banks' liquidity management**
- xii. **Experience gained in other jurisdictions in terms of managing the decline in aggregate excess liquidity, and lessons to be learned for the euro area**

**Cooperation with other ECB contact groups in the area of market operations:** The chairs and secretaries of this and 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.