



Money Market Contact Group

WORK PROGRAMME FOR 2025

This document sets out the work programme for Money Market Contact Group (MMCG) meetings in 2025. The work programme may be adjusted to address unforeseen events and/or specific topics of interest that may unfold from market developments in the course of the year. The MMCG will hold four regular meetings in 2025, out of which two are planned to be physical meetings at the ECB premises and two will be in a remote setting. The dates of the MMCG's meetings are published on the [ECB's website](#).

A. Regular items

At each meeting, the MMCG will discuss the outlook for the euro money market and spell out the main drivers for major developments in all segments (secured, unsecured, short-term securities issuance, foreign exchange swaps, and overnight index swaps). The group will also provide market views on ECB policy issues (e.g., changes to interest rates, refinancing operations, operational framework etc.) to the extent that they have a material impact on the euro money market.

B. Specific items for 2025

- I. **The Eurosystem's operational framework:** The focus of the discussions will be on the effectiveness of the framework in steering short-term money market rates and its broader implications for money markets. Members will discuss the operational readiness for accessing Eurosystem refinancing and usage of standard refinancing operations in their regular liquidity management and short-term funding mix. The group will also discuss how money markets adjust to the operational framework.
- II. **Demand for liquidity in the money market amid a declining Eurosystem balance sheet:** The MMCG will discuss developments in the drivers of demand for central bank reserves and wider demand for liquidity also stemming from regulatory framework. The group will reflect on how liquidity is redistributed in the money market, amid the ongoing decline in excess liquidity, including potential impediments to a smooth redistribution.
- III. **Changing landscape in the euro repo market:** MMCG members will reflect on how repo market trading is affected by dealers' intermediation capacity and its funding, sovereign bond issuance dynamics and evolving legislation. The MMCG will also reflect on the increasing presence of new repo markets actors

and its implications for monetary policy transmission and market functioning. The discussion will also cover how repo markets are impacted by changes in trading and settlement practices. This includes the possible transition to T+1 settlement and developments in the use of central clearing, also via new access models, such as sponsored membership.

- IV. **Developments in liquidity and payment infrastructures and the impact on money markets and banks' liquidity management:** The MMCG intends to discuss the implications for money markets and bank liquidity management of a range of topics encompassing the technological and market progress in the field of payments infrastructure, including i) level of adoption of instant payments (incl. TIPS) and intraday liquidity management, ii) the introduction of the Eurosystem Collateral Management System, and iii) T2/T2S including the question on expanded RTGS operating hours that has been launched in some other cases.
- V. **Environmental, social and governance (ESG) factors:** The MMCG will reflect on the importance of ESG factors in the money market, banks' treasury activity, and the Eurosystem's operational framework. Potential discussion points will be ESG relevance in loan and investment decisions as well as collateral management and the repo market.
- VI. **Technological innovation: Artificial intelligence (AI), big data analytics and digitalisation:** The group will discuss the role of AI, big data analytics, and innovation in the money market and banks' treasury activity, how it has and will change common practices, as well as risks and opportunities of such innovations. Members will also reflect on the impact of AI and other digital innovations on trading and market liquidity, volatility and general market functioning. The group will discuss the digitalisation of the money market ecosystem, covering developments in the digital euro project, stablecoins and other digital assets as well as the role of tokenisation or distributed ledger technologies.

Cooperation with other ECB Contact Groups in the domain of market operations: The Operations Managers Group, the Foreign Exchange Contact Group and the Bond Market Contact Group will continue to exchange information with the MMCG and liaise with each other on relevant topics of mutual interest.