

EURUSD ↓ 1.2179
 At 19:38 Op 1.2174 HI 1.2179 Value 3/21/06
 Market Price 1.2174
 Currency 1/4



CENTRALNA BANKA
 CRNE GORE

Range 3/17/05 - 3/17/06
 Upper Chart: 3 Market Price



Financial and Banking Operations Department
- International Reserves Management Division -

EUR EURO SPOT PRICE 1.2181

Range 9/19/05 to 3/17/06 Period Daily
 Market mid/trd

DATE	PRICE	DATE	PRICE
F 3/17	1.2181	F 2/24	1.1978
T 3/16	1.2174	W 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1974
T 3/14	1.2016	M 2/20	1.1974
M 3/13	1.1934	F 2/17	1.1909
F 3/10	1.1894	T 2/16	1.1911
T 3/ 9	1.1909	W 2/15	1.1884
W 3/ 8	1.1928	T 2/14	1.1897
T 3/ 7	1.1889	M 2/13	1.1902
M 3/ 6	1.1996	F 2/10	1.1919
F 3/ 3	1.2025	T 2/ 9	1.1974
T 3/ 2	1.2012	W 2/ 8	1.1944
W 3/ 1	1.1913	T 2/ 7	1.1974
T 2/28	1.1923	M 2/ 6	1.1962
M 2/27	1.1853		

**International Financial
 Market Report**

10 - 14 December 2018

BLOOMBERG NEWS AUDIO/VIDEO

Search Audio/Video 3/17/06 19:27:27

Bankinvest's Broby, Softbank, Vodafone, L'Oreal, Body Shop, etc.

ICAP's Smith, U.S. European Bonds, etc.

F.Mario's Bennett, U.S. Dollar, Fed Policy, Euro, Yen

Commonwealth Bank's Thurlbell, Oil Prices, Iraq

China Airlines' Wei, Fleet Reorganization, Earnings Outlook

Microsoft's Ballmer, Stock Performance, Strategy, Products

Bean Shams Teleconference: Fiscal First-Quarter Profit

Rate Generale's Mignolis, BOJ Policy, Japan Rate, Economy

Daniel Broby, chief investment officer at Japanese mobile-phone unit and L'Oreal SAS purchase of Body Shop International Plc.

Bloomberg TV Live | Bloomberg Radio Live | All Audio/Video Reports

LIVE <GO> Events	Date	Time	Language	Type
14) Legal & General Teleconference: Full-Year Earnings	3/17	Now Playing	English	🔊
15) UBS Warburg's Hickson, Outlook for Steel Industry	3/17	Now Playing	English	🔊
16) European Commission: Daily News Conference	3/17	20:00 - 20:30	English	🔊
17) Egypt's Mubaidin, Sale of State-Owned Businesses	3/17	21:05 - 21:20	English	🔊
18) Borders Group Teleconference: 4th-Qtr Results	3/17	22:00 - 23:00	English	🔊
19) AIG Teleconference About Fourth-Quarter Results	3/17	22:30 - 23:30	English	🔊

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7930 7500 Germany 49 69 920410
 Hong Kong 852 2977 6000 Japan 81 3 3201 6900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2006 Bloomberg L.P.
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USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US Semi 30/360				
2) 2 YR	5.0670	5.0800	5.0755	+0.0305
3) 3 YR	5.0500	5.0720	5.0610	+0.0330
4) 4 YR	5.0620	5.0740	5.0680	+0.0250
5) 5 YR	5.0860	5.0920	5.0890	+0.0235
6) 6 YR	5.1100	5.1130	5.1105	+0.0170
7) 7 YR	5.1300	5.1350	5.1325	+0.0170
8) 8 YR	5.1470	5.1530	5.1500	+0.0160
9) 9 YR	5.1620	5.1680	5.1640	+0.0135
10) 10 YR	5.1780	5.1830	5.1805	+0.0175
11) 15 YR	5.2370	5.2430	5.2400	+0.0145
12) 20 YR	5.2670	5.2720	5.2690	+0.0130
13) 30 YR	5.2750	5.2840	5.2795	+0.0190

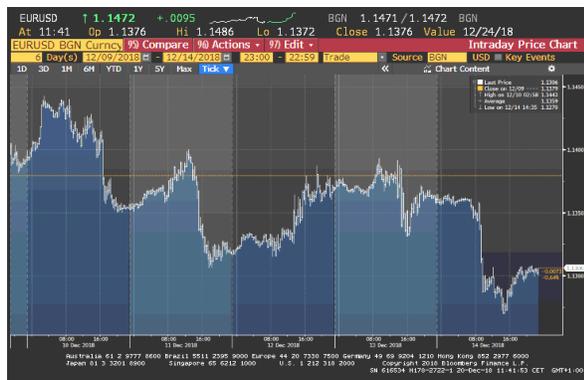
USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	52.75	52.25	+.45
30) 10 YR	52.25	53.25	52.75	+.50
31) 15 YR	57.00	58.00	57.50	+.50
32) 20 YR	58.63	59.88	59.25	+.15
33) 30 YR	57.38	58.63	58.00	+.20

Change on day
 IYC4 I52<GO>
 Change on Month
 IYC6 I48<GO>
 For US Govt Yield Curve, type f{IYC1 I2
 For US swap Curve, type f{IYC1 I52 <G

Podgorica, 19 December 2018

FX NEWS

EUR/USD



Source: Bloomberg LP

The EUR/USD exchange rate fell during this reporting period. At the beginning of the week, the euro weakened against the dollar as the continuing uncertainty over Brexit was still present, as well as for the fact that the French President gave in to the demands of the protestants, causing a concern that the country's budget plan for the next year would be exceeded (the targeted level of the EU equals 3%). There was a slight recovery of the exchange rate in the mid-week as the optimism rose that an agreement between Italy and the EU regarding the budget would be reached. However, at the very end of the week, the EUR/USD exchange rate fell as weaker than the expected economic data came from the Euro Area.

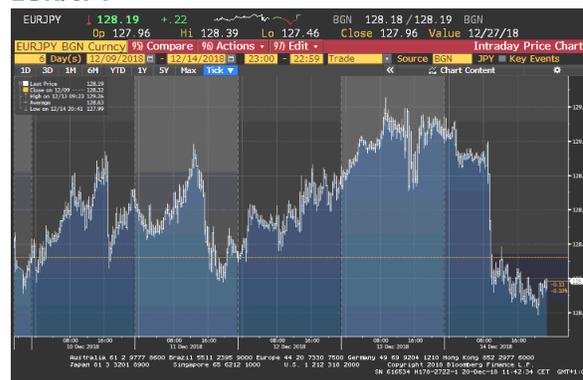
EUR/GBP



Source: Bloomberg LP

The EUR/GBP exchange rate rose on first day of this reporting week. The euro strengthened against the sterling, as the voting in the British Parliament scheduled for 11 December was still a source of instability in the UK as well as the political struggle of Theresa May to secure enough votes to pass her Brexit plan. The UK Prime Minister managed to postpone a parliamentary vote on her Brexit Agreement by the end of Monday. The exchange rate was stable during Tuesday, to weaken on Wednesday, as voting on the confidence of the Prime Minister of Great Britain was scheduled for the afternoon. Prime Minister Theresa May received support from 200 parliamentarians while 117 were for her removal, hereby securing her position and an attempt to provide Britain with a planned exit from the EU in March. Following the announcement of the vote, the EUR/GBP exchange rate stabilized and did not register significant changes by the end of the week.

EUR/JPY



Source: Bloomberg LP

The EUR/JPY exchange rate grew slightly until the end of the week. The strengthening of the euro against the Japanese currency in the first half of the week was a result of the decline in Japan's GDP in Q3. Also, the decline in yen came as Japanese investors increased the purchase of foreign bonds. However, there was a sharp decline in the exchange rate on the last day of the week as the investors' appetite for risky investments diminished and the relations between China and the United States got worse again.

Table 1 - Exchange rates of the most important currencies

	10 December 2018 ¹	14 December 2018 ²	% Change
EUR/USD	1.13790	1.1306	-0.64
EUR/GBP	0.90420	0.89835	-0.65
EUR/JPY	128.510	128.19	-0.25
EUR/AUD	1.58046	1.5758	-0.29
EUR/CHF	1.12471	1.12811	0.30
USD/JPY	113.120	113.39	0.24
GBP/USD	1.25660	1.2583	0.14

Table 2 - Overview of the reference interest rates of the leading central banks

Central Bank	Reference interest rate	Reference interest rate level	Next meeting
European Central Bank	ECB Main Refinancing Rate	0.00%	24 January 2019
Federal Reserves	Federal Funds Target Rate	2.25%	19 December 2018
Bank of Japan	Overnight Call Rate	-0.10%	20 December 2018
Bank of England	Official Bank Rate	0.75%	20 December 2018
Swiss National Bank	Libor Target Rate	-0.75%	21 March 2019
Bank of Canada	Target Overnight Rate	1.75%	9 January 2019
Reserve Bank of Australia	Cash Rate Target	1.50%	5 February 2019

The ECB held a regular meeting this week, and as expected, the monetary institution decided to terminate the bonds purchase programme. The current level of interest rates did not change. At the same time, it was announced that the ECB will continue to reinvest the funds from maturing bonds as needed. This central bank diminished forecasts for economic growth and inflation for the next year by 0.1 percentage points to 1.7% and 1.6% respectively.

A regular meeting of the National Bank of Switzerland was held this week. Interest rates were kept on the current level, but the projected inflation for the next year was reduced from 0.8% to 0.5%.

Table 3 - Eonia and Euribor

	10.12.2018. ¹	14.12.2018. ²	Change in basis points
Eonia	-0.359	-0.362	-0.3
Euribor 1W	-0.378	-0.378	0.0
Euribor 1M	-0.368	-0.368	0.0
Euribor 3M	-0.314	-0.311	0.3
Euribor 6M	-0.245	-0.238	0.7
Euribor 12M	-0.134	-0.128	0.6

¹ Opening market value on Monday

² Closing market value on Friday

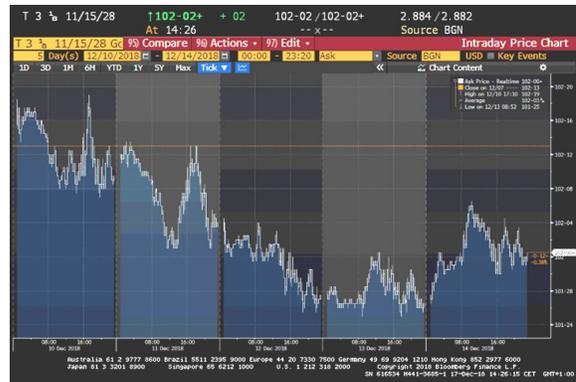
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Yields on 10-year German government bonds recorded downward trend during the reporting week. On the first day of this week, they fluctuated around 0.25%, to fall by some 5 basis points the next day. The yields on these bonds recovered in the mid-week, as President Trump said he would meet with China's President to discuss trade issues if needed. An increase in the price of Italian bonds was recorded on Wednesday, and yields fell below 3% for the first time since September, after the Government of Italy announced that it is considering to propose a 2% target rate for the fiscal deficit of GDP, which is in line with EU requirements (the previously proposed rate was 2.4%). The Italian Prime Minister Conte confirmed the next day that the fiscal deficit will be presented to the European Union at 2.04% in the new draft budget plan. The yields on German government bonds recorded a slight decline on the last day of the reporting week, due to the publication of worse than expected economic data on the Euro Area, as well as the fall in the price of shares in Europe.

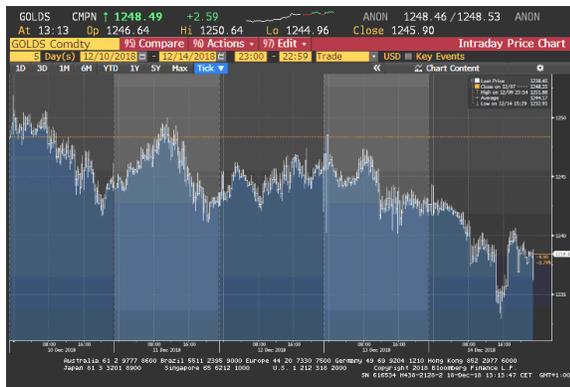
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The prices of US 10-year government bonds during the major part of this reporting week had a downward trend, driven by a recovery in the stock markets in the United States. The prices of these bonds were stable during Thursday, recording a slight growth on the last day of the reporting week, as the stock prices fell in the US. The yields on 10-year US bonds ranged around 2.88% on Friday.

GOLD



Source: Bloomberg LP

The price of gold did not record any major changes this week. The dollar exchange rate was the determinant of the gold prices development. The price of gold was stable on Wednesday. Investors assessed the impact of the publication of US inflation data for November, which was on rise. Inflation growth was in line with expectations, which further boosted the probability of an interest rate increase at the upcoming FED meeting. Trade tensions between the US and China dropped, and Trump administration officials stressed Beijing must do much more to contribute to ending the tariff war. Demand for gold was reduced for the past two days due to the strengthening of the dollar, as well as the expectation that the Fed will increase the interest rate at a meeting to be held soon.

OIL



Source: Bloomberg LP

The price of oil declined on Monday as a result of the uncertainty that OPEC members will implement a decrease in the production of this energy generating product that was planned for the next year, and at the same time the market was expecting an increase in the production of this fuel in the United States. The price of this fuel was compensated for the next day by some of the losses that the production of 315,000 barrels was reduced in the El Sharara oil field. Oil prices rose slightly in the first half of Wednesday, following the release of the EIA report, which showed that stocks in the US fell by 1.21 million barrels a week earlier. The price of oil weakened by the end of the day. Oil prices recorded a downturn again on Friday as the price of dollar grew, stock prices in the markets fell, and the China's industrial output recorded poor figures, inciting a fear at the global level, which had a downward trend in the price of this fuel.

Table 4 - Economic indicators in the period 10 - 14 December 2018

Country	Indicator	Period	Expected value	Current value	Previous value
Italy	Industrial Production Measures the changes in the output volume of the production, service and mining sectors.	October MoM%	-0.3%	0.1%	-0.2%
Great Britain	Industrial Production Measures the production output of the sectors for energy, factories and mines. Growing industrial output points to increased production and economic expansion, which is "sound" for the sterling.	October MoM% (YoY%)	0.1% (-0.1%)	-0.6% (-0.8%)	0.0% (0.0%)
Germany	Trade Balance Represents the relationship between the amount of the price of goods exported abroad and the price of goods imported into the territory of that country, i.e. the difference between exports and imports. If the amount of goods exported exceeds the amount of the imported goods, then the trade balance is active (positive balance), if the import exceeds the export - then it becomes passive (negative balance). Consumer price index (CPI) Estimates the changes in the cost of living, by measuring changes in the price level of market basket of consumer goods and services purchased by an average household.	October B=Billion November MoM% (YoY%)	17.1B 0.1% (2.3%)	18.3B 0.1% (2.3%)	18.4B 0.1% (2.3%)
Japan	Gross domestic product (GDP) One of the basic macroeconomic indicators, which represents the calculated value in the market prices of goods and services produced within the country, but excludes the income of citizens and corporations working abroad. The following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.	II Quarter QoQ%	-0.5%	-0.6%	-0.3%

Source: Bloomberg