

EURUSD ↓ 1.2179

At 19:38 Op 1.2174 HI 1.2179

1.2179/1.2180 TTOL

Value 3/21/06



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	1.1878
T 3/16	1.2174	W 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1919
T 3/14	1.2016	M 2/20	1.1924
M 3/13	1.1934	F 2/17	1.1909
F 3/10	1.1894	T 2/16	1.1915
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

17 - 21 December 2018

BLOOMBERG NEWS AUDIO/VIDEO

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

Bankinvest's Broby, Softbank, Vodafone, L'Oreal, Body Shop
ICAP's Smith, U.S. European Bonds, Fed
F.Marks Bennett, U.S. Dollar, Fed Policy, Euro, Yen
Commonwealth Bank's Turnbull: Oil Prices, Iraq
China Airlines' Wei: Fleet Reorganization, Earnings Outlook
Microsoft's Ballmer: Stock Performance, Strategy, Products
Bear Stearns Teleconference: Fiscal First-Quarter Profit
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) Bonders 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.
8615-351-3 17-Mar-06 19:27:28

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

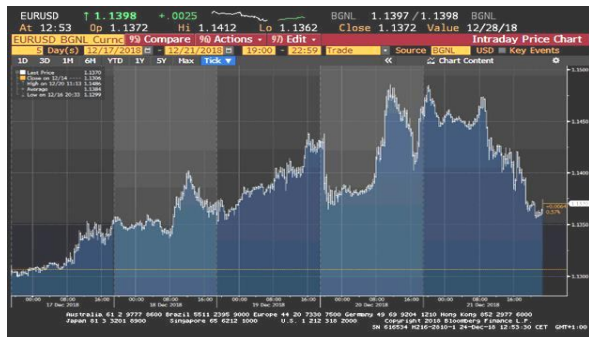
USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	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 fIYC1 I2
For US swap Curve, type fIYC1 I52 <G

Podgorica, 26 December 2018

FX NEWS

EUR/USD



Source: Bloomberg LP

The EUR/USD exchange rate rose on Monday as investors were worried both about the forecast of the pace of interest rate increase in the US and the economic growth. The US President criticizes the FED on Monday for even considering another increase in the interest rate when, on the one hand, there is a strong dollar and virtually no inflation, and on the other, the "outer world is cracking down," primarily thinking of the situation in Paris and the situation with China. The euro was backed up the following day by making a new proposal for the target budget in Italy, which was expected to receive positive reactions of the European Commission officials, therefore preventing disciplinary measures against Italy to be activated. At the Fed's regular meeting, which ended on Wednesday, the reference interest rate was unanimously increased by 25 basis points to 2.5%, the fourth time this year, which was in line with announcements and expectations. However, due to the announcement that there will be two increases in 2019, instead of three, as it was said earlier, for the reason of a more cautious approach, the dollar was weaker against the euro. In the rest of the week, the markets were worried about the possible partial paralysis of the US Government as there was a problem with the financing of the wall to be built on the border with Mexico. The EUR/USD exchange rate recorded decline on the last day of the week.

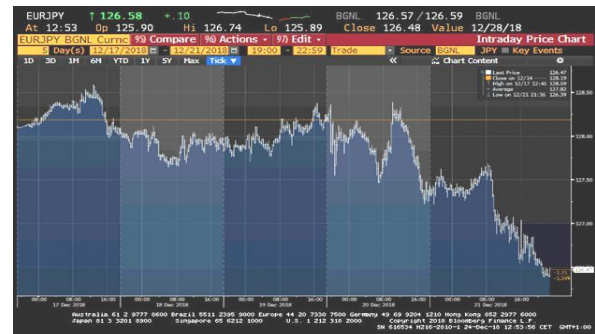
EUR/GBP



Source: Bloomberg LP

The EUR/GBP exchange rate was stable at the beginning of this reporting week, recording no significant changes. The Prime Minister of Great Britain confirmed that the vote in the country's parliament on Brexit will take place around 14 January. The exchange rate recorded an upward trend during Wednesday and Thursday, as officials warned of the uncertainty that could arise over Brexit, as well as they diminished expectations in terms of economic growth for the last quarter this year from 0.3% to 0.2%. The sterling strengthened against the euro on the last day of this reporting week. Sterling was supported by economic data (the volume of the British economy increased by 0.6% in the third quarter).

EUR/JPY



Source: Bloomberg LP

The EUR/JPY exchange rate did not record major changes most of the week, but had a downward trend. The demand for yen was in the spotlight this week as the risk appetite of the investors was reduced due to concerns about global economic growth, a pace of interest rate rises in the US, and weakening of share prices on stock exchanges. The EUR/JPY exchange rate had a more evident decline on the last day of the week, following the Fed's statement that the central bank would adjust the policy according to the data to be published, and accordingly, the bank does not promise in advance instructions on further increases in rates in this country.

Table 1 - Exchange rates of the most important currencies

	17 December 2018 ¹	21 December 2018 ²	% Change
EUR/USD	1.1306	1.1372	0.58
EUR/GBP	0.89835	0.89981	0.16
EUR/JPY	128.19	126.48	-1.33
EUR/AUD	1.5758	1.61452	2.46
EUR/CHF	1.12811	1.13002	0.17
USD/JPY	113.39	111.22	-1.91
GBP/USD	1.2583	1.2645	0.49

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	2.50%	30 January 2019
Bank of Japan	Overnight Call Rate	-0.10%	23 January 2019
Bank of England	Official Bank Rate	0.75%	7 February 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

At the Fed regular meeting this week, the reference interest rate was unanimously increased by 25 basis points to 2.5%, the fourth time this year, which was in line with announcements and expectations. The Fed's monetary policy makers announced that there will be two increases in 2019 instead of three as announced earlier, as they will be more cautious.

Regular meetings of the Bank of Japan and the Bank of England were held this week, keeping interest rates on the current levels.

Table 3 - Eonia and Euribor

	17.12.2018. ¹	21.12.2018. ²	Change in basis points
Eonia	-0.362	-0.374	-1.2
Euribor 1W	-0.378	-0.376	0.2
Euribor 1M	-0.368	-0.366	0.2
Euribor 3M	-0.311	-0.310	0.1
Euribor 6M	-0.238	-0.238	0.0
Euribor 12M	-0.128	-0.119	0.9

¹Opening market value on Monday

²Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yields on German 10-year government bonds were relatively stable and ranged between 0.24% and 0.25% for the most of the week. The only major change occurred on Thursday when yields on these bonds first fell by 4 basis points, returning to the previous level soon. This fall came as share prices on the world's leading stock exchanges fell. The yields on German 10-year bonds were at the level of 0.26% at the beginning of the period, standing at 0.25% at the end of the year.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yields on US government bonds fell this week, with decline in yields being more evident in the first half of the reporting period. The decline in yields occurred in this period due to the fall in share prices on the US stock exchanges, as well as the increasing uncertainty in terms of global economic growth. Also, the decline in yields on US bonds continued in the mid-week, as the Fed increased the interest rate by 25 basis points at the regular meeting, but lowered expectations regarding the increase in the interest rate in the upcoming period. At the same time, the FED's decision to raise interest rates prompted a concern with the market participants that monetary policy makers would "suppress" economic growth. The yields on US government bonds recovered slightly over the past two days. The yields on 10-year bonds fell from 2.89% to 2.79% in this reporting period.

GOLD



Source: Bloomberg LP

Gold prices rose on a weekly basis. At the very beginning of the week, the reason for the rise in gold prices was the weakening of the dollar and share prices on US stock exchanges, as investors were worried about economic growth in the US. The price of gold did not record any major changes on the following day, slightly weakening on Wednesday afternoon, following the Fed two-day session, where it was decided to increase the interest rate by 25 basis points. After that, the price of gold rose again due to the weakening of the US dollar exchange rate, as FED President Jerome Powell said he would be more cautious when it comes to increasing rates (the Fed cut the expected number of interest rate increases in 2019 to two times). The demand for gold weakened at the end of the week.

OIL



Source: Bloomberg LP

The oil prices were on a downward trend in this reporting week. In the first half of the week, oil prices deteriorated as Russia and the US pumped much more oil in the market than expected, and additional pressure on the price was made by announcing that crude oil stocks rose unexpectedly last week. After the FED meeting and another increase in the interest rate, the price of oil fell along with the price of gold, as a result of investors' concern over global economic growth and further market oversupply with this energy generating product. At the beginning of the week, the price of oil was at \$ 59.47 per barrel, and at the end of the week it equalled \$ 52.66 a barrel.

Table 4 - Economic indicators in the period 17 - 21 September 2018

Country	Indicator	Period	Expected value	Current value	Previous value
Euro Area	<p>Euro Area 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, therefore representing the key inflation measure in the Euro area.</p>	November MoM% (YoY%)	2.0% -0.2%	1.9% -0.2%	2.0% 0.2%
Great Britain	<p>Consumer price index (CPI) It measures changes in the prices of retail products and services (typically used by the British household), including food products and gas. The CPI is a key measure of inflation in the United Kingdom, and the Bank of England uses it to make interest rate decisions.</p> <p>Gross domestic product (GDP) One of the basic macroeconomic indicators; represents the market value of products and services produced within the country. The following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.</p>	November MoM% (YoY%)	0.2% (2.3%)	0.2% (2.3%)	0.1% (2.4%)
		Q3 QoQ% (YoY%)	0.6% 1.5%	0.6% 1.5%	0.6% 1.5%
Germany	<p>IFO Business Climate Monthly survey of companies in Germany (in the area of manufacturing, construction, wholesale and retail trade), regarding the current business climate and the outlook for the next 6 months. Since Germany accounts for 1/4 of total euro area GDP, this index serves as a significant indicator of the euro area economic soundness as a whole.</p>	December	101.7	101.0	102.0
USA	<p>Durable Goods Orders This is an indicator of consumer certainty that reflects their expectations and the ability to spend money. Its positive growth reflects the condition of the economy, it also helps to strengthen the currency. Its fall leads to the opposite result. Many manufacturers plan their production on the basis of available orders, the decline in the DGO precedes the decline in production and vice versa.</p>	November	1.6%	0.8%	-4.3%

Source: Bloomberg