

EURUSD ↓ 1.2179 At 19:38 Op 1.2174 HI 1.2174 Value 3/21/06
 1.2179/1.2180 TTOL
 L.2174 Value 3/21/06
 Currency 1/4



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	1.2179	F 2/24	1.1878
T 3/16	1.2149	T 2/23	1.1878
W 3/15	1.2050	W 2/22	1.1911
T 3/14	1.2016	T 2/21	1.1914
M 3/13	1.1934	M 2/20	1.1946
F 3/10	1.1894	F 2/17	1.1909
T 3/ 9	1.1909	T 2/16	1.1878
W 3/ 8	1.1928	W 2/15	1.1874
T 3/ 7	1.1889	T 2/14	1.1897
M 3/ 6	1.1996	M 2/13	1.1902
F 3/ 3	1.2025	F 2/10	1.1919
T 3/ 2	1.2012	T 2/ 9	1.1974
W 3/ 1	1.1913	W 2/ 8	1.1944
T 2/28	1.1923	T 2/ 7	1.1974
M 2/27	1.1853	M 2/ 6	1.1962

International Financial Market Report

(20 - 24 August 2018)

BLOOMBERG NEWS AUDIO/VIDEO

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

Bankinvest's Broby, Softbank, L'Oreal, Body Shop
 ICAP's Smith, U.S. Fed Policy, Fed Reserve
 Societe Generale's Maguire, BOJ Policy, Japan Rate, Economy
 Bear Stearns Teleconference, Fiscal First-Quarter Profit
 F.Maria's Bennett, U.S. Fed Policy, Euro
 Commodities, Bank of China, Oil Prices, Iraq
 China Airlines' Wei, Fleet Reorganization, Earnings Outlook
 Microsoft's Ballmer, Stock Performance, Strategy, Products

13) LIVE <GO> Events

Event	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.
 9635-351-3 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

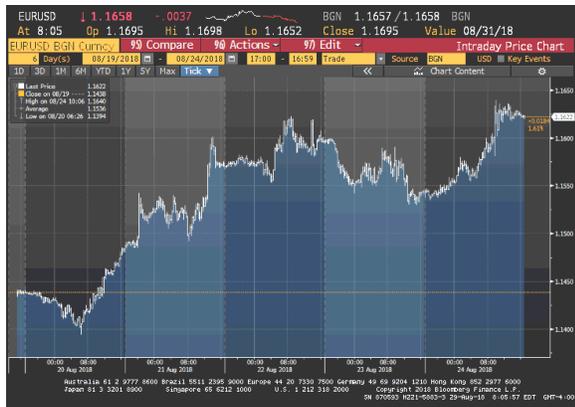
US SPREADS				
Ticker	Bid	Ask	Mid	Chng
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	52.75	52.25	+.45
30) 10 YR	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{YC1 I52 <G

Podgorica, 30 August 2018

FX NEWS

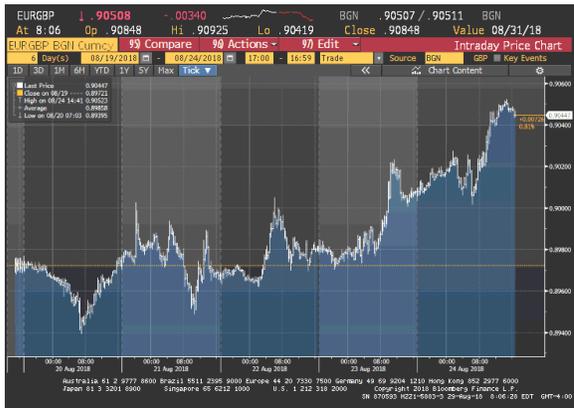
EUR/USD



Source: Bloomberg LP

On Monday the **EUR/USD exchange rate** increased as investors lowered their demand for safe currencies, as a result of growing optimism regarding the agreement between the US and China. Bloomberg reported that the president of the US was "not thrilled" by Powell's decision to raise interest rates and that the central bank should help strengthen the economy. During the following day, the EUR/USD exchange rate continued to grow after the former lawyer of Donald Trump pleaded guilty to several federal charges on violation of the campaign finance law. On Thursday, this growth trend was briefly stopped as Fed's officials defended their independence from political influence in the eve of the speech before the representatives of central banks to be held in Jackson Hole, Wyoming. At the end of the week, economic data on Germany's economy recovered the demand for the euro (the business climate index jumped to 103.8 in August, which exceeded the value recorded in July of 101.7).

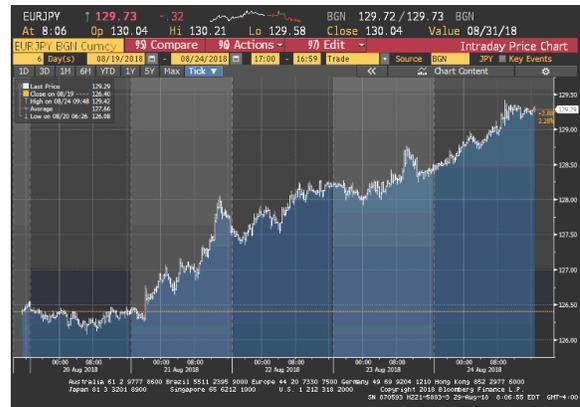
EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** recorded growth on a weekly basis, but it was quite stable for most of the period. The last two days saw a more pronounced growth after re-emerging concerns regarding the fate of the British currency in case Britain abandons the EU block without a previously concluded trade agreement. The uncertainty regarding reaching an agreement on the UK's exit from the EU continued on Friday as the sterling continued to weaken. Positive data from the business climate indicators in Germany gave an impetus to the European currency in relation to the British. At the beginning of the week, the EUR/GBP exchange rate amounted to 0.89400, and at the end of the week 0.90454.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** grew over the week due to a reduced concern over trade negotiations between China and the US, a rise in stock prices in Asia, and the upcoming meeting of the US central banks in Jackson Hole.

Table 1 - Exchange rates of the most important currencies

	20 August 2018 ¹	24 August 2018 ²	% Change
EUR/USD	1.1438	1.1622	1.61
EUR/GBP	0.89721	0.90447	0.81
EUR/JPY	126.40	129.29	2.29
EUR/AUD	1.56402	1.58578	1.39
EUR/CHF	1.13867	1.14253	0.34
USD/JPY	110.500	111.24	0.67
GBP/USD	1.27490	1.2846	0.76

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%	13 September 2018
Federal Reserves	Federal Funds Target Rate	2.00%	26 September 2018
Bank of Japan	Overnight Call Rate	-0.10%	19 September 2018
Bank of England	Official Bank Rate	0.75%	13 September 2018
Swiss National Bank	"Libor Target Rate"	-0.75%	20 September 2018
Bank of Canada	Target Overnight Rate	1.50%	5 September 2018
Reserve Bank of Australia	Cash Rate Target	1.50%	4 September 2018

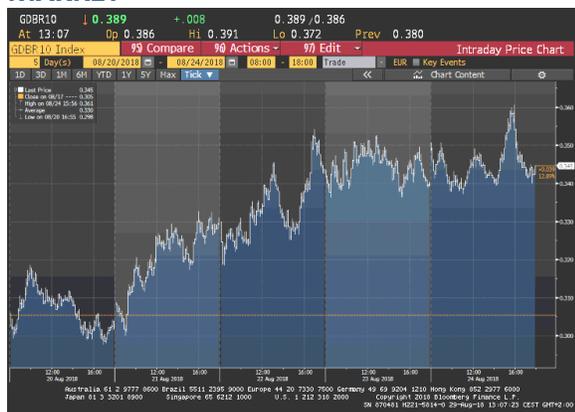
Table 3 - Eonia and Euribor

	20.08.2018. ¹	24.08.2018. ²	Change in basis points
Eonia	-0.360	-0.363	-0.3
Euribor 1W	-0.377	-0.376	0.1
Euribor 1M	-0.370	-0.369	0.1
Euribor 3M	-0.319	-0.319	0.0
Euribor 6M	-0.266	-0.266	0.0
Euribor 12M	-0.167	-0.167	0.0

¹Opening market value on Monday

²Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

On the first day of this reporting week, yields on 10-year German government bonds recorded a decline and amounted to 0.298%. Yields on Italian 10-year bonds also declined on the same day, after the vice president of the Italian cabinet was asked whether the state might break the limit of the deficit of 3% of GDP (which is according to the EU standards), to which he responded that nothing was excluded. By the end of the reporting week, yields on 10-year German government bonds had an upward trend of movement and amounted to 0.345%. It was announced that Germany will issue an additional 10bn euros of new bonds over the following year. Yields on Italian bonds declined during the first half of Friday as the media reported that during a meeting with the Italian Prime Minister, the US president said that he would help this country and buy its bonds during 2019. However, in the second part of the day, yields on Italian bonds have returned to previous levels as Italy is expected to be against the EU budget.

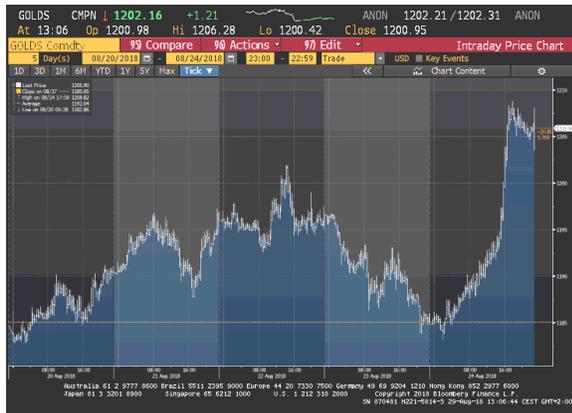
THE US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

During this week, yields on the US 10-year government bonds decreased by about 6 bp. Their biggest decline was recorded on Monday (by almost 5bp) to 2.82%, as a result of President Trump's criticism of Fed's officials for increasing the interest rate. Namely, since Trump's inauguration, the interest rate has been increased five times, and it is expected that this will be done two more times by the end of the year. The following day there was a recovery of these yields, as the rise in the prices of shares in the US boosted the investors' appetite for risky assets, only for them to return on Wednesday to the Monday level as shares prices fell following the news that the lawyer and former head of the campaign of President Trump was charged and convicted on multiple federal charges. By the end of the reporting week yields were fluctuating, and generally observed dropped by another 1bp, and amounted to 2.81% at the market closing on Friday.

GOLD



Source: Bloomberg LP

By the middle of this reporting week, the price of gold recorded a slight upward trend, as a result of weakening of the US dollar. On Thursday, the price of gold declined as the US dollar recovered. During the last day of this reporting week, the price of gold once again recorded a growth.

OIL



Source: Bloomberg LP

During the entire reporting period, the price of oil recorded growth. On Monday and Tuesday, the price recorded a mild upward trend, with decreased concerns that the tensions between the US and China would jeopardise the demand, only for a stronger growth to take place on Wednesday as a result of the release of the report of crude oil inventories in the United States. During the preceding day, the API (American Petroleum Institute) reported that during the week that preceded this reporting period crude oil inventories declined more than expected, by 5.17 million barrels, with the release of the official EIA data on Wednesday (US Energy Information Administration) indicating an even greater decline in inventories by as much as 5.8 million barrels. On Thursday, the price of oil was stable, while it recorded an increase on the last day of this reporting period, as it was announced that the number of oil wells operating in the US fell over the last week, the highest decline in the last two years.

Table 4 - Economic indicators in the period 20 August -24 August 2018)

Country	Indicator	Period	Expected value	Current value	Previous value
Germany	<p>Production price index This index measures changes in sale prices of goods and services used by producers. High PPI, together with the high value of other inflation indicators, will force the ECB to strive for an increase in interest rates, while declining PPI may indicate an economic slowdown.</p>	July MoM% YoY%	0.2% 3.0%	0.2% 3.0%	0.2% 3.0%
	<p>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.</p>	II Quarter QoQ%	0.5%	0.5%	0.5%
USA	<p>Initial Jobless Claims Measures the number of people receiving unemployment allowances. Similar to the applicant, the growing number of jobs is accompanied by an economic expansion that could influence inflationary pressures.</p>	August K=1,000	215 K	210 K	212 K
	<p>Sale of existing real estate The indicator shows sales records in the real estate sector in the US and is revised on a monthly basis. This report provides a fairly accurate assessment of the conditions at the housing market and, due to its sensitivity to the business cycle it can be an important indicator of the overall housing conditions at a time when it is particularly important for the economy.</p>	July MoM%	0.4%	-0.7%	-0.6%

Source: Bloomberg