

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: 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	1.2174	T 2/23	1.1911
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	1.1894
W 3/ 8	1.1928	W 2/15	1.1894
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

(3 - 7 February 2020)

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 and Deficit
- FIMark's Bennett: U.S. Fed Policy, Eurozone Crisis, Thurlbell: Oil Prices, Iraq
- Societe Generale's Maguire: BOJ Policy, Japan Rate, Economy
- China Airlines' Wei: Fleet Reorganization, Earnings Outlook
- Bear Stearns Teleconference: Fiscal First Quarter Profit
- Microsoft's Ballmer: Stock Performance, Strategy, Produce

LIVE <GO> Events

Event	Date	Time	Language	Type
Legal & General Teleconference: Full-Year Earnings	3/17	Now Playing	English	🔊
UBS Warburg's Hickson: Outlook for Steel Industry	3/17	Now Playing	English	🔊
European Commission: Daily News Conference	3/17	20:00 - 20:30	English	🔊
Egypt's Mohamed: Sale of State-Owned Businesses	3/17	21:05 - 21:20	English	🔊
Bonders Group Teleconference: 4th-Qtr Results	3/17	22:00 - 23:00	English	🔊
AIG Teleconference About Fourth-Quarter Results	3/17	22:30 - 23:30	English	🔊

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 {IYC1 I2
For US swap Curve, type {IYC1 I52 <G

Podgorica, 13 February 2020

FX NEWS

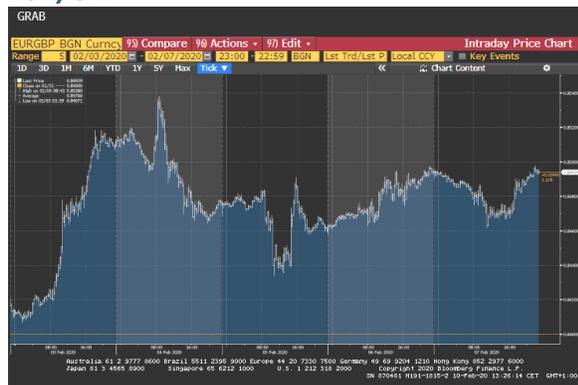
EUR/USD



Source: Bloomberg LP

During the reporting period, the **EUR/USD exchange rate** depreciated as the result of favourable US economic data and the coronavirus spread fear. At the very beginning of the week, the EUR/USD exchange rate deteriorated due to published better-than-expected data on US output, and shortly after that due to published data on the payroll in January increasing by 291 thousand, which was above expectations. At the very end of the reporting period, unfavourable data on orders for durable goods and industrial production in Germany weakened the euro. During the period, the Governor of the Central Bank of Italy also said that the measures taken by China to prevent the spread of the virus would significantly affect Italy's economy. At the end of the week, the number of deaths from coronavirus increased to 811, while the number of infected persons reached 37,198. China will have to lower its economic growth forecasts for this year due to the virus outbreak. At the same time, Chinese officials hope the USA will agree to flexibility regarding commitments for Phase I of the trade agreement, as Beijing seeks to curb the spread of the health crisis, as well as due to its potential negative impact on GDP.

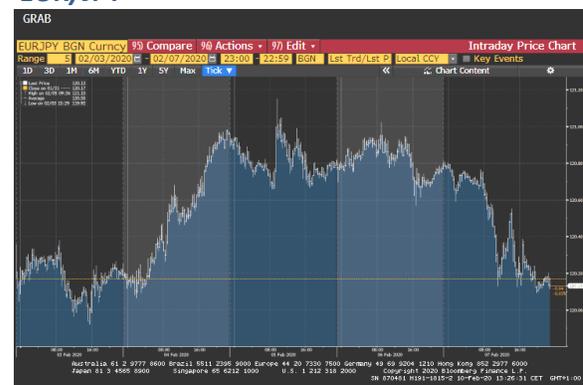
EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** appreciated during the first day of this reporting week as Boris Johnson, UK Prime Minister, rejected EU trade negotiations requirements concerning unfair competition. However, this exchange rate dropped slightly over the next two days until the middle of the week amid optimism that the UK and the EU would nevertheless reach a trade agreement this year, although the starting position is complicated. During the remainder of the week, the EUR/GBP exchange rate had a slight upward trend as the French finance minister stated that British financial institutions would not have access to the EU market unless Great Britain complies with EU rules.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** fluctuated slightly at the beginning of the week to rise on Tuesday as stock prices rose due to the expectation that the Central Bank of China would continue to provide sufficient liquidity in the market, reducing concerns about slowing growth. Governor of the Bank of Japan said it was too early to adopt new easing measures and it would pay maximum attention to the coronavirus's impact on Japan's economy and prices. There were no significant changes in the middle of the week. On Friday, the exchange rate dropped again as the number of deaths in China increased, and due to the inability to control the coronavirus spread completely, which increased the demand for safe assets.

Table 1 - Exchange rates of the most important currencies

	03.02.2020 ¹	07.02.2020 ²	% Change
EUR/USD	1.1093	1.09460	-1.33
EUR/GBP	0.84000	0.84918	1.09
EUR/JPY	120.17	120.140	-0.02
EUR/AUD	1.65798	1.64040	-1.06
EUR/CHF	1.06888	1.07010	0.11
USD/JPY	108.35	109.750	1.29
GBP/USD	1.3206	1.28920	-2.38

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%	12 March 2020
Federal Reserves	Federal Funds Target Rate	1.75%	18 March 2020
Bank of Japan	Overnight Call Rate	-0.10%	19 March 2020
Bank of England	Official Bank Rate	0.75%	26 March 2020
Swiss National Bank	Libor Target Rate	-0.75%	19 March 2020
Bank of Canada	Target Overnight Rate	1.75%	4 March 2020
Reserve Bank of Australia	Cash Rate Target	0.750%	3 March 2020

The Central Bank of Australia held a meeting this week at which it decided not to change neither the interest rate nor the way monetary policy.

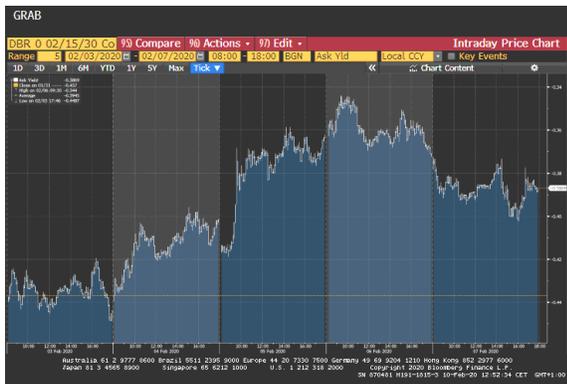
Table 3 - Eonia and Euribor

	03.02.2020 ¹	07.02.2020 ²	Change in basis points
Eonia	-0.454	-0.452	0.20
Euribor 1W	-0.506	-0.509	-0.30
Euribor 1M	-0.454	-0.458	-0.40
Euribor 3M	-0.393	-0.400	-0.70
Euribor 6M	-0.338	-0.339	-0.10
Euribor 12M	-0.254	-0.269	-1.50

¹ Opening market value on Monday

² Closing market value on Friday

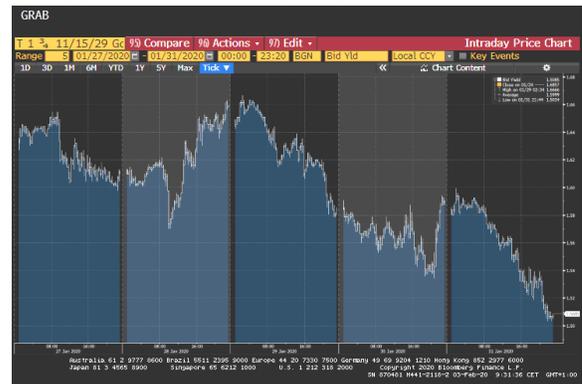
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

On the first day of the reporting week, the yield on German 10-year government bonds did not record any significant changes. It recovered the next day, as the purchase of stocks on stock exchanges increased. German bond yields continued to rise during Wednesday, amid growing optimism about finding a cure for the coronary virus, which had a positive impact on increasing stock prices in Europe, while the demand for safe funds reduced. Yields on 10-year bonds weakened slightly until the end of the week, and stood at -0.387%. This happened after Reuters reported that euro area finance ministers would recommend an expansionary monetary policy if the risks to the economy materialise. These risks include slower economic growth and spreading of coronavirus.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Yields on 10-year US bonds was increasing during the most of Monday. This happened since the National Bank of China had taken measures including repo rates cut, pumping large amounts of intra-day funds into the system, and publicly committing to take the measures required on maintaining adequate market liquidity. However, near the end of Monday, yields have returned to previous levels, as the US Centre for Disease Control and Prevention announced that it was preparing for a coronavirus as a further pandemic. The yield of these bonds rose over the next two days after China decided to cut tariffs on imports of US goods as of 14 February. US stock prices have also increased. The yield on US stock prices has also seen growth due to better-than-expected US employment data for January. During Thursday and Friday, the yield on 10-year US Treasury bonds trended down, as demand for safe assets increased due to still present fear of coronavirus.

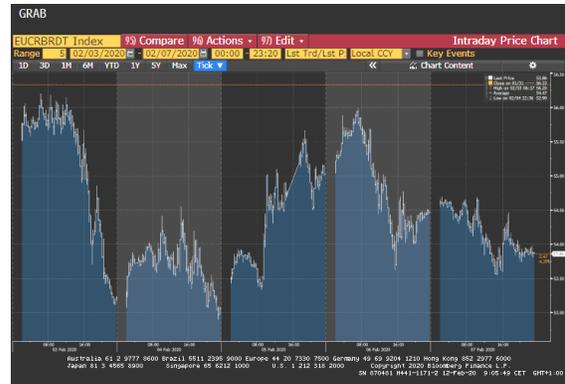
GOLD



Source: Bloomberg LP

The price of gold trended down during the first part of the reporting period. It dropped after the Central Bank of China implemented measures aimed at market liquidity improving. The strengthening of the dollar had an additional effect on the gold price fall. The price of gold was rising from Wednesday until the end of the reporting period. The price of gold rose amid concerns about the effects of the spread of the coronavirus in China.

OIL



Source: Bloomberg LP

Oil prices dropped sharply on Monday due to concerns that the spread of the virus in China would affect demand for this energy. Over the next day, the price of oil stopped falling as OPEC representatives met in Vienna. On Wednesday, it rose sharply due to the increased likelihood that OPEC members and partners of that organization would reduce oil production to improve the situation at the market. However, the last two days of this week have raised new concerns about the worsening situation in China resulting in oil price reacting adversely. Moreover, the Russian Energy Minister's statement that more time is needed to commit to an additional restriction in the production of this energy product, also put more pressure on oil price.

Table 4 - Economic indicators (3 - 7 February 2020)

Country	Indicator	Period	Expected value	Current value	Previous value
France	<p>Retail Sales This indicator measures activity related to retail trade volume (not applicable to motor cars and motor cycles).</p>	Q4 MoM% QoQ%	-1.1% (2.3%)	-1.6% (1.3%)	1.0% (2.2%)
Germany	<p>Factory Orders Shows change in the number of orders with domestic producers. The data shows the demand for German industrial products. Factory orders are an early indicator of the overall consumption in the economy, which affects economic growth.</p>	December MoM%	0.6%	-2.1%	-1.3%
	<p>Industrial output Measures the production output of the energy sectors, factories and mines. Growing industrial output points to increased production and economic expansion.</p>	December	-0.2%	-3.5%	1.1%
Great Britain	<p>Industrial output Measures the production output of the energy sectors, factories and mining. In the short term, this indicator is of high significance because it shows the intensity of industrial activities in the UK. Growing industrial output points to increased production and economic expansion, which is "healthy" for the sterling.</p>	January	52.9	53.9	52.9
USA	<p>ISM Manufacturing This indicator assesses the condition of the US industry by examining executives about their expectations regarding future production, new orders, supplies, employment and deliveries.</p>	January	48.5	52.0	47.2
	<p>Factory Orders Shows change in the number of orders with domestic producers. The data shows the demand for German industrial products. Factory orders are an early indicator of the overall consumption in the economy, which affects economic growth.</p>	December	1.2%	1.8%	-0.7%
	<p>Change in nonfarm payrolls This report shows the total number of newly employed workers at the monthly level by branches of economy (health care, finance, mining, construction, production, wholesale, retail, transport and storage, IT sector). The report does not include civil servants, non-governmental organisations and the agriculture. It serves as the basis for tailoring economic policy and forecasting future economic trends. The most important data in this report is the monthly change in the total number of employees.</p>	January K=1.000	165 K	225 K	145 K

Source: Bloomberg

Weekly Report 3 - 7 February 2020