



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 2/17	1.1878
T 3/16	1.2050	T 2/16	1.1871
W 3/15	1.2050	W 2/15	1.1884
T 3/14	1.2016	T 2/14	1.1897
M 3/13	1.1934	M 2/13	1.1902
F 3/10	1.1894	F 2/10	1.1919
T 3/ 9	1.1909	T 2/ 9	1.1974
W 3/ 8	1.1928	W 2/ 8	1.1944
T 3/ 7	1.1889	T 2/ 7	1.1974
M 3/ 6	1.1996	M 2/ 6	1.1962
F 3/ 3	1.2025		
T 3/ 2	1.2012		
W 3/ 1	1.1913		
T 2/28	1.1923		
M 2/27	1.1853		

International Financial Market Report

(9 - 13 November 2020)

BLOOMBERG NEWS AUDIO/VIDEO

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Bankinvest's Broby: Softbank, Vodafone, L'Oreal, Body Shop
ICAP's Smith: U.S. Dollar, Fed
F.Mat's Bennett: U.S. Dollar, Fed Policy, Euro
U.S. Long-term Growth Walker: Fiscal Policy and Deficit
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

10 Bloomberg TV Live 10 Bloomberg Radio Live 10 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 Mohamed: 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 7330 7500 Germany 49 69 920410
Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 218 2000 Copyright 2006 Bloomberg L.P.
6615-311-3 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

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

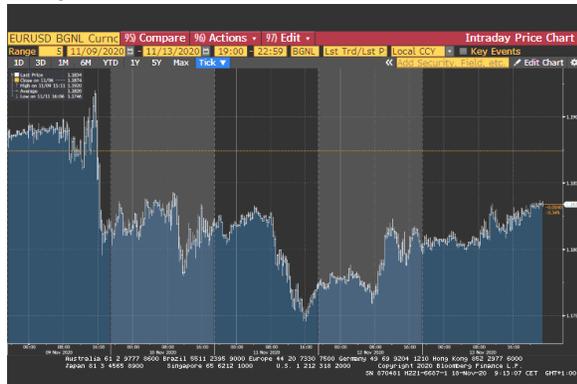
Change on day
IYC4 I52<GO>
Change on Month
IYC6 I48<GO>
For US Govt Yield Curve, type {IYC1 I2
For US swap Curve, type {IYC1 I52 <G

Podgorica, 18 November 2020

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FX NEWS

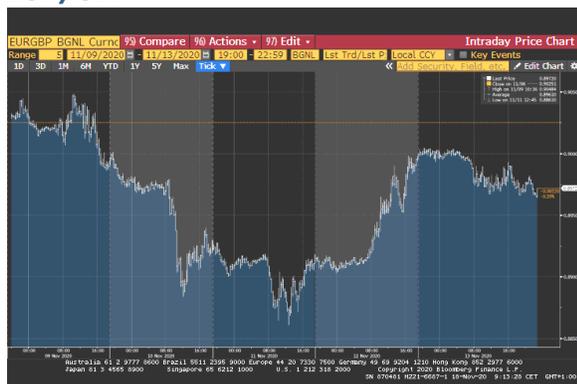
EUR/USD



Source: Bloomberg LP

From Monday to Wednesday, the **EUR/USD exchange rate** trended down due to optimism regarding the development of a vaccine against the Coronavirus. To wit, the company Pfizer announced it had positive results in the vaccine development. Moreover, the euro depreciated due to the news that monthly industrial production in the euro area unexpectedly fell by 0.4% in September. From Thursday until the end of the reporting period, this exchange rate depreciated slightly. It happened as the USD depreciated due to concerns that the economy could suffer additional damage before the vaccine is distributed to more people.

EUR/GBP

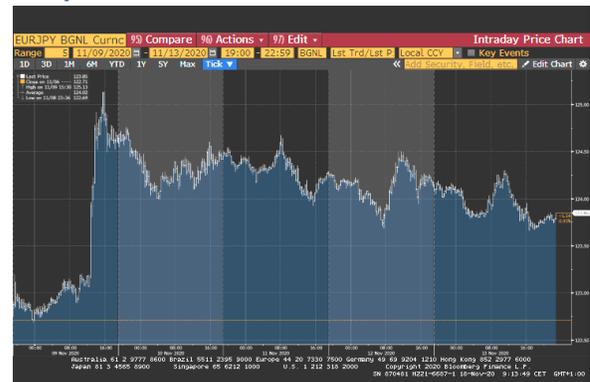


Source: Bloomberg LP

During the first half of the reporting period, the **EUR/GBP exchange rate** depreciated as the news of the successful testing of the

vaccine by Pfizer had a positive effect on the British currency. Moreover, the British currency appreciated due to optimism that Britain and the European Union would reach an agreement on Brexit. On Thursday, this exchange rate appreciated after releasing weaker than expected data on industrial output in the UK (a 0.5% growth instead of the expected 1%). This exchange rate did not record significant change on Friday.

EUR/JPY



Source: Bloomberg LP

Early this week, the **EUR/JPY exchange rate** increased due to the news that pharmaceutical companies were on the verge of developing a vaccine that could end the Coronavirus pandemic. During the rest of the week, this exchange rate depreciated slightly.

Table 1 - Exchange rates of the most important currencies

	09.11.2020 ¹	13.11.2020 ²	% Change
EUR/USD	1.1874	1.1834	-0.34
EUR/GBP	0.90251	0.89720	-0.59
EUR/JPY	122.710	123.85	0.93
EUR/AUD	1.63584	1.62766	-0.50
EUR/CHF	1.06868	1.08008	1.07
USD/JPY	103.350	104.63	1.24
GBP/USD	1.31560	1.3189	0.25

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%	10 December 2020
Federal Reserves	Federal Funds Target Rate	0.25%	16 December 2020
Bank of Japan	Overnight Call Rate	-0.10%	18 December 2020
Bank of England	Official Bank Rate	0.10%	17 December 2020
Swiss National Bank	Libor Target Rate	-0.75%	17 December 2020
Bank of Canada	Target Overnight Rate	0.25%	9 December 2020
Reserve Bank of Australia	Cash Rate Target	0.10%	1 December 2020

Tabela 3 – Eonia and Euribor

	09.11.2020 ³	13.11.2020 ⁴	Change in basis points
Eonia	-0.473	-0.471	0.2
Euribor 1W	-0.538	-0.535	0.3
Euribor 1M	-0.533	-0.533	0.0
Euribor 3M	-0.513	-0.514	-0.1
Euribor 6M	-0.512	-0.503	0.9
Euribor 12M	-0.483	-0.469	1.4

¹ Opening market value on Monday

² Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year German government bonds rose by even 11 base points on Monday, as growing optimism about the Covid-19 vaccine caused a decline in demand for safe funds. To wit, a study of the vaccine developed by Pfizer Inc. and BioNTech SE, conducted on a large number of volunteers (tens of thousands), showed that this vaccine prevents 90% of infections. This is currently the most encouraging scientific progress in the fight against Coronavirus. The next day, this return increased by 2 base points, after releasing that the EU reached an agreement on long-term spending plans and was now closer to finishing the budget package of 1.8 billion euros, and enabling it to become operational in 2021. However, the return started to drop on Wednesday keeping the trend until the end of the reporting week, when it stood at -0.50%. The main reason for the decline was the growth in the number of newly infected people across Europe, which turned investors to safe funds. However, the return on 10-year German government bonds recorded a weekly growth of 7 base points.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return trend of 10-year US government bonds was similar to German bonds. This return recorded a weekly increase of some 6 base points. During the first two days, it grew by about 14 base points. This happened after promising results in a study against the Covid-19 vaccine turned investors to riskier assets, leading to rising stock prices and falling bond prices. US markets were closed on Wednesday due to the Veterans Day yet declined during the last two days of the reporting period. Namely, the Coronavirus throughout the USA accelerating the implementation of measures to close some economic sectors, led to an increase in demand for safe investments. Thus, the return stood at 0.88% at the end of the week.

GOLD



Source: Bloomberg LP

The gold price fell sharply on Monday, as the results of a study of the vaccine against Covid-19 showed a success rate of 90%. This eased expectations that the pandemic would worsen and reduced the demand for safe assets. The price fluctuated over the next two days due to the tense political situation in the USA. It also fluctuated due to the assessment of market participants that the chances of adopting a fiscal support program in this country were slim. However, the price of this precious metal was on a slightly rising trend since Wednesday afternoon as the number of infected people around the world was growing. They caused growing concerns about the consequences of this situation, resulting in increased demand for safe funds.

OIL



Source: Bloomberg LP Bloomberg LP

In the first half of the reporting week, the oil price of trended up to decline in the second half, still recording a weekly growth. The news of the potential success of the Covid-19 vaccine has boosted hope for a recovery in demand for the fuel, which has outweighed concerns that growing stockpiles will disrupt the market. However, the growing number of infected people around the world increased the risk of new “lockouts” of countries, so the price of this energy source has started to weaken. Due to the coronavirus pandemic, OPEC cut demand forecasts by 300 thousand barrels per day. It was also announced that US oil inventories rose by 4.3 million barrels in the previous week, encouraging a drop in prices by the end of the reporting period.

Table 4 – Economic indicators (9 – 13 November 2020)

Country	Indicator	Period	Expected value	Current value	Previous value
Germany	<p>Consumer price index (CPI) It estimates the changes in the cost of living, measuring price changes in the basket of consumer goods and services used by an average German household.</p>	October MoM%	0.1%	0.1%	0.1%
Great Britain	<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>	Q3 QoQ% YoY%	15.8% -9.4%	15.5% -9.6%	-19.8% -21.5%
	<p>Industrial output It measures the output of the energy sector, factories, and mines. This indicator is significant in the short term as it shows the UK industrial activity's strength. Rising industrial production points to output increase and economic expansion, which is "healthy" for sterling.</p>	September MoM%	1.0%	0.5%	0.3%
USA	<p>Consumer price index (CPI) It estimates the changes in the cost of living, measuring price changes in the basket of consumer goods and services used by an average German household.</p>	October MoM%	0.1%	0.0%	0.2%
	<p>Initial Jobless Claims US It measures the number of people who receive unemployment benefits. It is similar to the applicant. The growing number of jobs accompanies the economic expansion, which could influence inflationary pressures.</p>	7 November K=1,000	731K	709K	751K

Source: Bloomberg