

EURUSD 1.2179

At 19:38 Dp 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	1.2181	F 2/17	1.1878
T 3/16	1.2050	T 2/16	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	1.1909
W 3/ 8	1.1928	W 2/15	1.1904
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

(13 - 17 July 2020)

BLOOMBERG NEWS AUDIO/VIDEO

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

- Bankinvest's Broby: Softbank, Vodafone, LOreal, 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
- Commodity Banks: Thurlall: 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

Daniel Broby, chief investment officer at Japanese mobile-phone unit and LOreal SA's purchase of Body Shop International Plc.

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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 7530 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. 6615-301-3 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

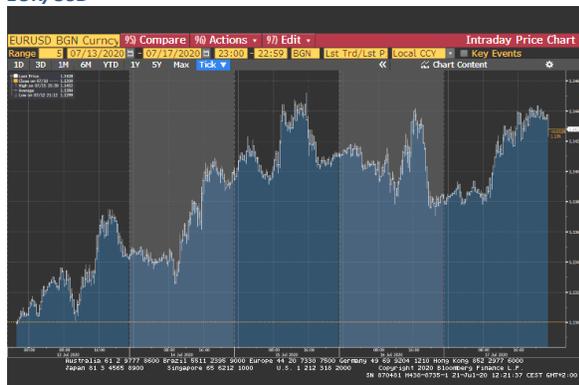
Change on day
IYC4 I52<GO>
Change on Month
IYC6 I52<GO>

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

Podgorica, 21 July 2020

FX NEWS

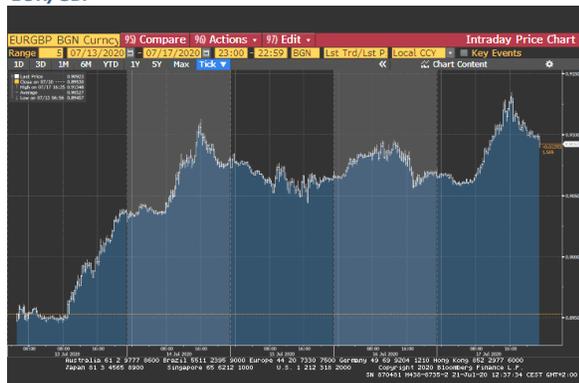
EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** appreciated in the first half of this reporting week to reach its 4-months high of 1.1452 in the middle of the week. The demand for more risky assets increased after the announcement that a potential Coronavirus vaccine had given promising results in human testing. In the second half of the week, this exchange rate depreciated slightly in the eve of the ECB meeting. Afterwards, it appreciated at the end of the week, on the eve of the EU leaders' weekend summit deciding the EU recovery fund.

EUR/GBP

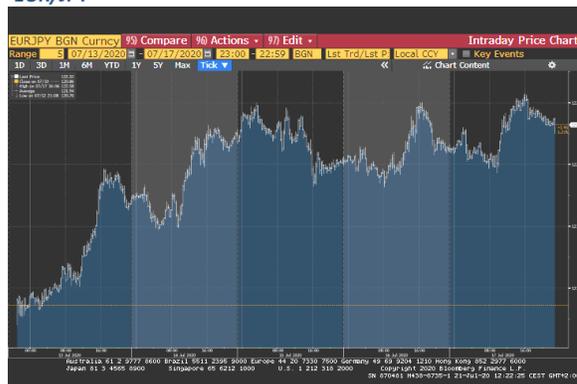


Source: Bloomberg LP

The **EUR/GBP exchange rate** appreciated during the first two days of this reporting week as the British economy recorded a slower-than-expected recovery. To wit, after lifting the numerous bans in the country due to combating the coronavirus, economic activity recovered slightly in May (by 1.8%), but the recovery rate was below forecasts. Over the next two days,

the euro's appreciation against sterling was limited due to better-than-expected UK inflation data. Specifically, the inflation rate accelerated unexpectedly in June, to 0.6% on an annual basis, which could be an argument for postponing further easing of measures by the Bank of England. On the last day of this reporting week, the EUR/GBP exchange rate appreciated again, driven by the upcoming EU leaders' agreement on a post-pandemic EU economic recovery package. On the other hand, the sterling was depreciating as Brexit meetings had not yielded results so far.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** appreciated during the reporting week and averaged around 121.94. The demand for safer agents has been limited, after progress recorded in detecting the Coronavirus vaccine.

Table 1 - Exchange rates of the most important currencies

	13.07.2020 ¹	17.07.2020. ²	% Change
EUR/USD	1.1300	1.1428	1.13
EUR/GBP	0.89530	0.90923	1.56
EUR/JPY	120.86	122.32	1.21
EUR/AUD	1.62612	1.63366	0.46
EUR/CHF	1.06355	1.07268	0.86
USD/JPY	106.93	107.02	0.08
GBP/USD	1.2622	1.2568	-0.43

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 September 2020
Federal Reserves	Federal Funds Target Rate	0.25%	29 July 2020
Bank of Japan	Overnight Call Rate	-0.10%	17 September 2020
Bank of England	Official Bank Rate	0.10%	6 August 2020
Swiss National Bank	Libor Target Rate	-0.75%	24 September 2020
Bank of Canada	Target Overnight Rate	0.25%	9 September 2020
Reserve Bank of Australia	Cash Rate Target	0.25%	4 August 2020

The European Central Bank, the Bank of Japan, and the Bank of Canada held their meetings during this reporting week. All three banks kept their respective interest rates at existing levels. The ECB also maintained the existing bond purchase programme. At the press conference, the ECB President presented expectations that the EU would approve an aid fund of 750 billion euros the following week. She also added that the ECB was ready to adjust all the available instruments to maintain price stability.

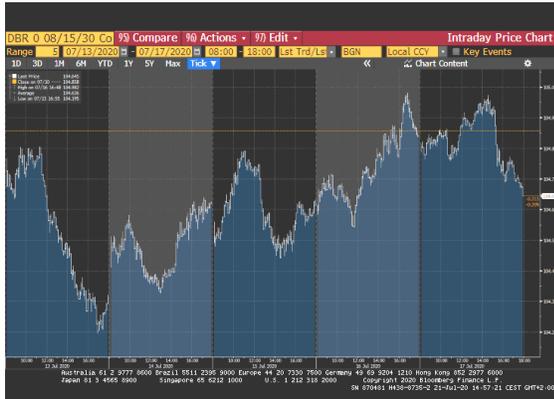
Table 3 – Eonia and Euribor

	13.07.2020 ¹	17.07.2020 ²	Change in basis points
Eonia	-0.464	-0.466	-0.20
Euribor 1W	-0.522	-0.513	0.90
Euribor 1M	-0.503	-0.506	-0.30
Euribor 3M	-0.440	-0.443	-0.30
Euribor 6M	-0.330	-0.351	-2.10
Euribor 12M	-0.284	-0.290	-0.60

¹ Opening market value on Monday

² Closing market value on Friday

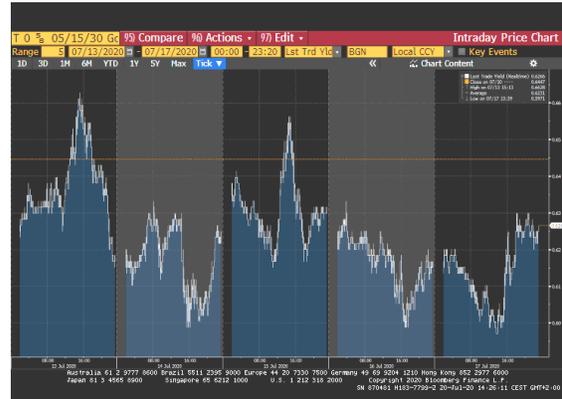
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

In the first half of this reporting week, the return on 10-year German government bonds trended down. It resulted from the tightened relations between the USA and China, with investors then turning to invest in safe funds. The return on German bonds dropped again after the ECB meeting. At the same time, the return on Italian bonds declined as the ECB would continue to provide significant support to countries through its assets purchase programme. At the end of the week, the return on German 10-year bonds recovered slightly in the eve of the EU leaders' summit and the negotiations on the recovery fund. At the close of the market on Friday, this yield stood at -0.44%.

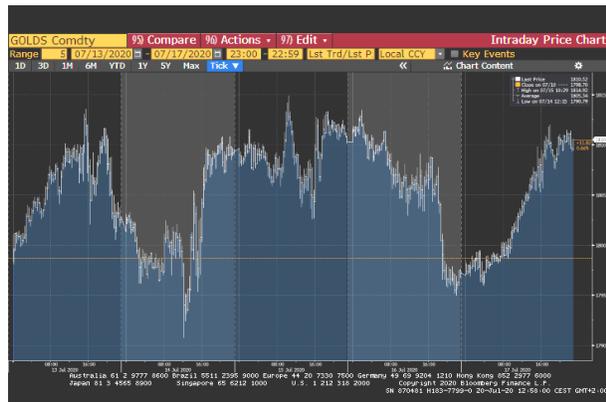
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year US government bonds fluctuated slightly during most of this reporting week and averaged around 0.6231%. The slight decline in the return was driven by concerns about the economic consequences of recent measures introduced to curb the Coronavirus spread. Moreover, there were fears of new measures or the complete closure of Florida and Los Angeles due to the growing number of infected in these areas. In the middle of the week, the return of American bonds recorded a slight increase briefly, as the media reported that one company showed success in testing the vaccine in 45 people. At the end of the reporting week, the return on 10-year US bonds stood at 0.6266%.

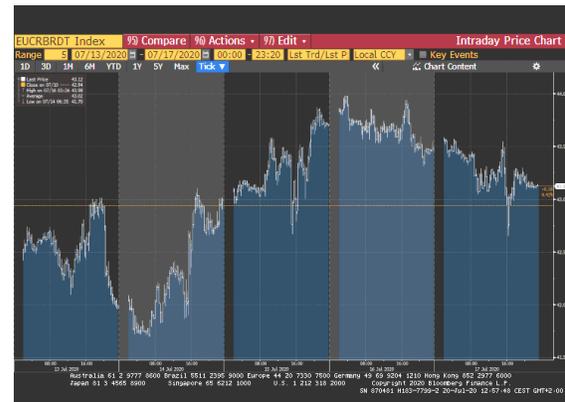
GOLD



Source: Bloomberg LP

On the first day of this reporting week, the gold price ranged between 1794.25 and 1810.70 USD/oz due to the growing number of new coronavirus cases in the USA, which stimulated the demand for safe assets. To wit, Florida recorded 15,300 new virus cases in just one day, the most significant number since the pandemic outbreak in the USA. On Tuesday morning, the price of gold dropped slightly, to rise again later in the day, due to new geopolitical tensions between the USA and China. The Trump administration does not support Chinese maritime research in the South China Sea, considering them illegal, and referring to the 2016 UN court decision. A spokesperson for the Chinese Embassy in the United States considered this move completely unjustified, adding that the USA was thus exaggerating the situation and is trying to create discord between China and other coastal countries. In the middle of the week, the gold price was slightly volatile, due to the US currency's fluctuation and to promising news about the vaccine against COVID-19. The gold price fell between Thursday and Friday as the IMF Director announced that global economic activity was improving, but that the Coronavirus second wave could lead to additional disturbances. This week, however, ended with a rising gold price, as the worsening health situation in the world backed this precious metal. At the market close on Friday, the gold price stood at 1,810.52 USD/oz.

OIL



Source: Bloomberg LP

On the first day of this reporting week, the price of oil did not change significantly. OPEC+ is expected to modestly facilitate the record oil production reduction agreed on this April and later extended until July. The board of this organization's key officials will discuss the new market approach on Wednesday on a video conference. The price rose the next day after was announcing that the stocks of this fuel dropped in the USA. Following the OPEC+ announcement that it would increase oil output in August due to a demand recovery, the price of this fuel fell briefly on Wednesday. However, it soon continued to grow, as US government data showed that US oil inventories saw their most significant drop last week since December (7.49 million barrels). During the last two days of this reporting week, the oil price has been falling. The result was the publication of worse-than-expected economic data in the USA and the increased number of Covid-19 cases in this country to over 3.6 million, which reduces optimism that the demand for this energy could recover.

Table 4 - Economic indicators (13 – 17 July 2020)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Consumer price index (CPI) This indicator estimates the changes in the cost of living, measuring changes in the price level of the basket of consumer goods and services purchased by an average household. Therefore, it is a key measure of euro area inflation.	June MoM% (YoY%)	0.3% (0.3%)	0.3% (0.3%)	0.3% (0.3%)
	Consumer price index (CPI Core) Method for measuring core inflation. It is a consumer price index, which excludes energy and food prices. This method has become used increasingly as food and energy prices can be unstable, and their volatile movements could affect the measure of inflation.	June YoY%	0.8%	0.8%	0.8%
	Industrial Production It measures the change in output volume in the production and energy sectors. Industrial output represents about a quarter of the euro area GDP.	May MoM%	15.0%	12.4%	-18.2%
Germany	CPI – EU Harmonised The harmonized index of consumer prices is an indicator of inflation and price stability, which uses a methodological concept applied by all EU Member States.	June MoM% (YoY%)	0.7% (0.8%)	0.7% (0.8%)	0.7% (0.8%)
	CPI This indicator estimates the changes in the cost of living, measuring changes in the price level of the basket of consumer goods and services purchased by an average household. Therefore, it is a key measure of euro area inflation.	June MoM% (YoY%)	0.6% (0.9%)	0.6% (0.9%)	0.6% (0.9%)
Great Britain	Consumer price index (CPI) This indicator estimates the changes in the cost of living, measuring changes in the price level of the basket of consumer goods and services purchased by an average household.	June MoM% (YoY%)	0.0% (0.4%)	0.1% (0.6%)	0.0% (0.5%)
USA	Initial Jobless Claims 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.	11 July K=1000	1250K	1300K	1310K
	Consumer price index (CPI) It estimates changes in the cost of living, measuring changes in the prices of individual items for which the consumer allocates his money.	June MoM% (YoY%)	0.5% (0.6%)	0.6% (0.6%)	-0.1% (0.1%)

Source: Bloomberg