

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	1.2179	T 2/16	1.1874
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	1.1904
W 3/ 8	1.1928	W 2/15	1.1884
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

(18 - 22 May 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. Longshore's Walker: Fiscal Policy and Deficit
- Commerzbank's 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.

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 7930 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

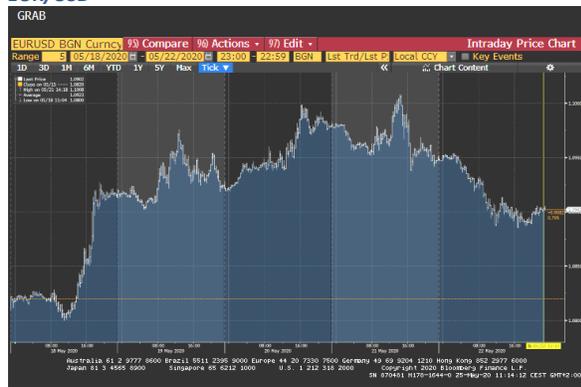
Change on day
IYC4 I52<GO>
Change on Month
IYC6 I52<GO>

Change on day
IYC4 I48<GO>
Change on Month
IYC6 I48<GO>
For US Govt Yield Curve, type fIYC1 I2
For US swap Curve, type fIYC1 I52 <G

Podgorica, 28 May 2020

FX NEWS

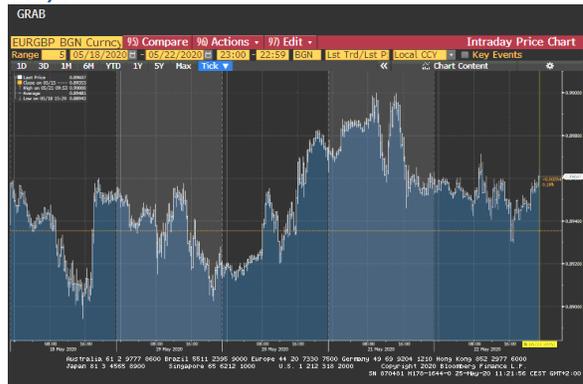
EUR/USD



Source: Bloomberg LP

The EUR/USD exchange rate appreciated on Monday after the ECB's chief economist, Philip Lane, overturned a ruling by the German Constitutional Court banning the Bundesbank from participating in a bond repurchase program, explaining that everything the ECB did was necessary. On the same day, the German Chancellor, Angela Merkel, and the President of France, Emanuel Macron, addressed the public at a virtual press conference. They presented a recovery fund from the European budget worth 500 billion euros, which will be used by EU countries affected by the recession due to an unexpected health crisis. The depreciation of the USD resulted from the release of encouraging news about the experimental vaccine for Coronavirus, which encouraged investors to invest in riskier funds. As the week continued, the EUR/USD exchange rate continued to appreciate. The euro strengthened after the announcement of better-than-expected economic news from Germany, as the ZEW index of economic expectations in May recorded higher-than-expected growth (by 51 points) reaching its highest level in five years. The USD depreciated during the most of this week, as Fed and ECB officials suggested that they would take actions to stimulate liquidity if necessary. However, the EUR/USD exchange rate depreciated on Friday, due to new geopolitical tensions and concerns from market participants that the proposed Chinese security law in Hong Kong would lead to escalating tensions between the USA and China.

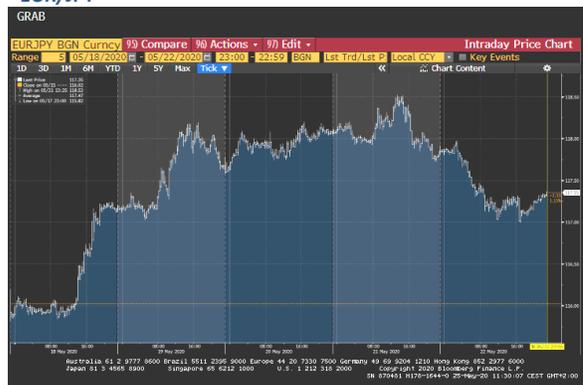
EUR/GBP



Source: Bloomberg LP

At the beginning of this reporting week, the EUR/GBP exchange rate depreciated after speculation about the success of the Coronavirus vaccine, which restored the market's appetite for riskier funds. As the Bank of England cut the interest rate to 0.1% at a meeting of 19 March, the BoE Governor said this week that he did not rule out the possibility of introducing a negative interest rate. By the end of the week, the EUR/GBP exchange rate slightly recovered.

EUR/JPY



Source: Bloomberg LP

The EUR/JPY exchange rate had the similar trend as the EUR/USD exchange rate. During most of the week, the euro appreciated against the Japanese currency, following the announcement by senior French and German officials that a 500 billion euros recovery fund would be available to EU countries. The Bank of Japan recorded an unexpected meeting this week, at which it did not change the reference interest rate, but initiated a new lending program (of 280 billion USD) aimed at small businesses affected by Coronavirus, which would prevent the economy from entering the recession. On Friday, the EUR/JPY exchange rate depreciated, as China announced that it was preparing to impose a new security law in Hong Kong, which stimulated investors' demand for safe funds.

Table 1 - Exchange rates of the most important currencies

	18.05.2020 ¹	22.05.2020 ²	% Change
EUR/USD	1.0820	1.0901	0.75
EUR/GBP	0.89353	0.89586	0.26
EUR/JPY	116.02	117.32	1.12
EUR/AUD	1.68697	1.66776	-1.14
EUR/CHF	1.05171	1.05919	0.71
USD/JPY	107.06	107.64	0.54
GBP/USD	1.2116	1.2173	0.47

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%	4 June 2020
Federal Reserves	Federal Funds Target Rate	0.25%	10 June 2020
Bank of Japan	Overnight Call Rate	-0.10%	16 June 2020
Bank of England	Official Bank Rate	0.10%	18 June 2020
Swiss National Bank	Libor Target Rate	-0.75%	18 June 2020
Bank of Canada	Target Overnight Rate	0.25%	3 June 2020
Reserve Bank of Australia	Cash Rate Target	0.25%	2 June 2020

During this reporting week, the Bank of Japan held an extraordinary meeting at which it kept the reference interest rate unchanged but initiated a new lending programme (of 280 billion USD). The programme is aimed at small businesses with activities affected by Coronavirus, which would prevent the economy from entering the recession.

Table 3 - Eonia and Euribor

	18.05.2020 ¹	22.05.2020 ²	Change in basis points
Eonia	-0.458	-0.454	0.40
Euribor 1W	-0.512	-0.528	-1.60
Euribor 1M	-0.467	-0.473	-0.60
Euribor 3M	-0.266	-0.279	-1.30
Euribor 6M	-0.131	-0.154	-2.30
Euribor 12M	-0.078	-0.093	-1.50

¹ Opening market value on Monday.

² Closing market value on Friday

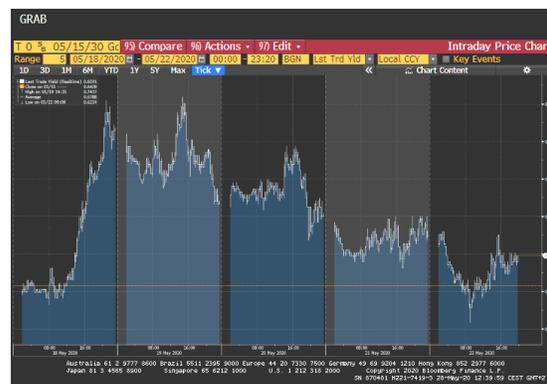
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on German 10-year government bonds rose on Monday as German and French leaders agreed to support a 500 billion-euro fund to remedy the effects of the recession that hit the EU after the Coronavirus crisis. During the rest of the week, the yield on these bonds trended down slightly, as did the demand for safe funds, after the relations between China and the United States tightened. The return on 10-year German government bonds stood at -0.49% at the end of the week.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on US 10-year government bonds recovered earlier this week after growing optimism that the economy could open up. For the rest of the week, the return on these bonds also dropped after tightened China-US relations. In the middle of the week, the United States issued 20-year bonds for the first time since 1986. The recorded return on these bonds was 1.220%. Over the last two days of the reporting week, the return on 10-year US bonds was stable, reaching 0.65% at the end of the week.

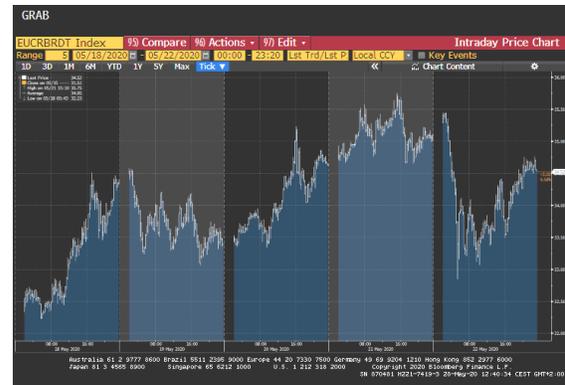
GOLD



Source: Bloomberg LP

Gold price dropped sharply at the very beginning of the week, as the media reported progress in creating a vaccine against the Coronavirus. Over the next two days, the gold price began to recover slightly after adverse economic data coming from the USA (real estate construction declined by 30.2% in April). On Thursday, the price of gold fell after the Fed published the minutes from its last meeting, which showed that there was almost no probability that the central bank would introduce negative interest rates. On the last reporting day, the price of gold was stable.

OIL



Source: Bloomberg LP

Oil price rose at the beginning of this reporting week, due to the growing optimism that economies would reopen globally, and after oil producers reduced the production. This caused the oil price to rise during the most of the week. The oil price only dropped on Friday, as did tensions between China and the United States.

Table 4 - Economic indicators (18 - 22 May 2020)

Current value	Previous value	Period	Expected value	Current value	Previous value
Euro area	Consumer price index (CPI) It 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.	April MoM% (YoY%)	0.4% (0.3%)	0.3% (0.3%)	4% (0.3%)
	CPI Core Method for measuring core inflation This is the consumer prices index excluding price of energy and food. This has become the most frequently used method since prices of food and energy may be unstable and their volatility may affect the inflation measurement.	April YoY%	0.9%	0.9%	0.9%
Germany	ZEW Survey Expectations This survey measures expectations regarding the economic growth for the next 6 months. Experts are surveyed on whether they expect an improvement or deterioration, thus the difference between the number of positive and negative responses represents the indicator value.	May	30.0	51.0	28.2
Great Britain	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.	April MoM% (YoY%)	-0.1% (0.9%)	-0.2% (0.8%)	0.0% (1.5%)
	CPI Core Method for measuring core inflation This is the consumer prices index excluding price of energy and food. This has become the most frequently used method since prices of food and energy may be unstable and their volatility may affect the inflation measurement.	April YoY%	1.4%	1.4%	1.6%
USA	Initial Jobless Claims Measures the number of people who receive unemployment allowances.	May 16 K=1.000	2400 K	2438 K	2687 K
	Existing home sales US The indicator shows sales records in the real estate sector in the USA and is revised on a monthly basis. This report provides a rather accurate assessment of housing market conditions. Due to its sensitivity to the business cycle, it can be an important indicator of overall housing conditions at a time when this is particularly important for the economy.	April MoM%	-19.9%	-17.8%	-8.5%

Source: Bloomberg