



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	1.1888
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

(21 - 25 September 2020)

BLOOMBERG NEWS AUDIO/VIDEO

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

- Bankinvest's Broby: Softbank, Vodafone, L'Oreal, Body Shop
- ICAP's Smith: U.S. Dollar, Fed Policy, Euro
- F.Mat's Bennett: U.S. Dollar, Fed Policy, Euro
- U.S. Congressional Quarterly 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

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) AVG 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. 6615-301-3 1P-MR-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

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

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 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, 30 September 2020

FX NEWS

EUR/USD

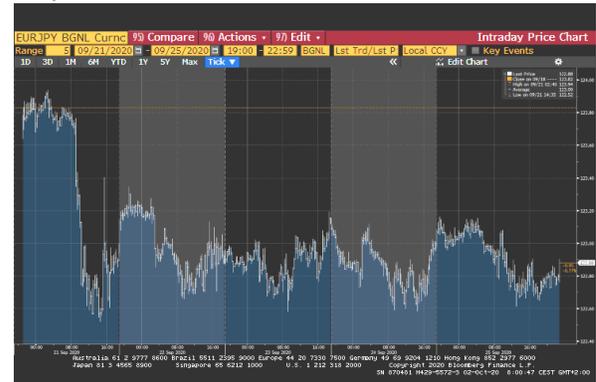


Source: Bloomberg LP

Throughout this reporting week, the **EUR/USD exchange rate** trended down. Health deterioration resulting from a new Coronavirus wave affected the euro adversely during this reporting period. Also, the Coronavirus spread in Europe resulted in lower investor confidence in Spain and France, having an additional adverse effect on the euro. At the same time, unfavourable economic data on the euro area were published. Namely, the index measuring output and services decreased from August 51.9 to 50.1 in September. The depreciation of this exchange rate slowed at the end of the week after starting to consider the introduction of new incentive measures in the USA.

restrictions for pubs and restaurants asking everyone else to work from home again if possible. From the middle of the week, this exchange rate started to depreciate after receiving unfavourable economic data from the euro area.

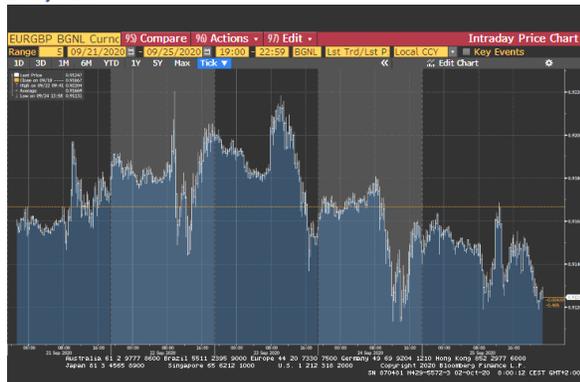
EUR/JPY



Source: Bloomberg LP

At the very beginning of this reporting week, the **EUR/JPY exchange rate** depreciated as the demand for safe assets increased after stock prices drop in Europe and the USA. In addition, the Coronavirus spread in Europe has caused to start considering new “lockout” measures, harming Europe’s common currency. During the rest of the week, this course did not fluctuate significantly.

EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** appreciated during the first two days of this reporting week as the UK is threatened with a new “lockout”. Namely, the UK Prime Minister announced the introduction of new

Table 1 - Exchange rates of the most important currencies

	21.09.2020 ¹	25.09.2020 ²	% Change
EUR/USD	1.18400	1.1631	-1.77
EUR/GBP	0.91667	0.91247	-0.46
EUR/JPY	123.83	122.88	-0.77
EUR/AUD	1.62418	1.65440	1.86
EUR/CHF	1.07927	1.08016	0.08
USD/JPY	104.57	105.58	0.97
GBP/USD	1.2917	1.2746	-1.32

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%	29 October 2020
Federal Reserves	Federal Funds Target Rate	0.25%	5 November 2020
Bank of Japan	Overnight Call Rate	-0.10%	29 October 2020
Bank of England	Official Bank Rate	0.10%	5 November 2020
Swiss National Bank	Libor Target Rate	-0.75%	17 December 2020
Bank of Canada	Target Overnight Rate	0.25%	28 October 2020
Reserve Bank of Australia	Cash Rate Target	0.25%	6 October 2020

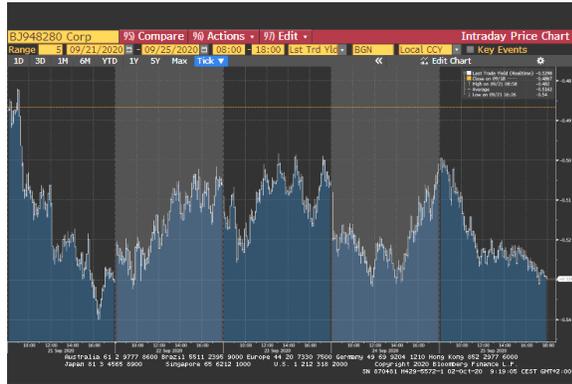
Table 3 - Eonia and Euribor

	21.09.2020 ¹	25.09.2020 ²	Change in basis points
Eonia	-0.467	-0.469	-0.20
Euribor 1W	-0.534	-0.530	0.40
Euribor 1M	-0.523	-0.523	0.00
Euribor 3M	-0.504	-0.498	0.60
Euribor 6M	-0.468	-0.468	0.00
Euribor 12M	-0.429	-0.433	-0.40

¹ Opening market value on Monday

² Closing market value on Friday

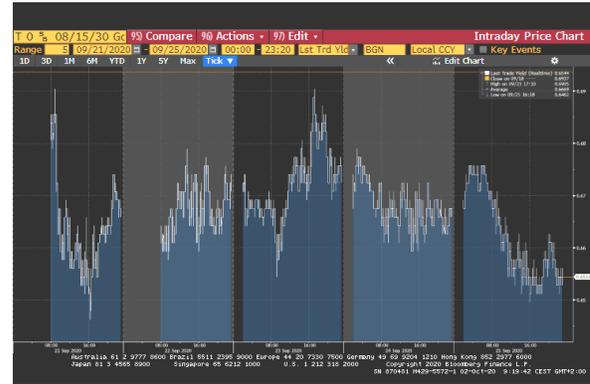
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year German government bonds weakened on Monday, following comments by the ECB President Lagarde, that the euro's strengthening is pressing prices. The return on Italian bonds also cut, following the publication of polls that Democrats were leading in the regional elections in Tuscany. The next day, the return on 10-year German government bonds recovered (rising about 3 base points) as demand at the 2-year German bond auction was somewhat weaker. The Netherlands also sold about 6 billion bonds maturing in 2052. Italian bond prices have risen after Prime Minister Conte won regional elections. The Prime Minister should remain in power until 2023. During the last two days, the return on 10-year German bonds fluctuated slightly. It stood at -0.53% at the end of this reporting period.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on US 10-year bonds fluctuated slightly throughout the week. At the beginning of the week, it weakened as concerns about the jump in the number of new Coronavirus cases grew, resulting in falling stock prices and fuelled concerns about the global economic recovery. The yield was around 0.6688% for the rest of the week to decrease slightly during the last day, after announcing new incentive measures in the USA. At the end of the week, the 10-year yield was at 0.65%.

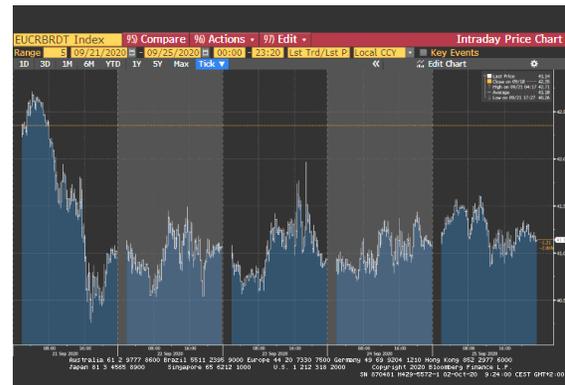
GOLD



Source: Bloomberg LP

The gold price was falling this reporting week. The most significant drop was on Monday after Fed Chairman Jerome Powell commented that the US economy was recovering, but had a long way to the full recovery from the pandemic crisis. Stock prices fell in Europe due to new restrictions due to Coronavirus. There was also a decline in shares in the United States due to the dismissal of the Supreme Court President Ruth Bader Ginsburg. Gold occasionally gained in value due to USD depreciation, concerns about the economic recovery, and due to new tensions between China and the USA. The gold price was stable on Friday.

OIL



Source: Bloomberg LP

At the beginning of the week, the oil price recorded the highest daily drop over the last two weeks. The decline was the result of the US stock prices decline, as concerns about the prolonged restrictions imposed due to the pandemic grew. At the same time, Libya was more likely to export oil, further affecting the existing global oversaturation with this raw material. For the rest of the week, the price of oil fluctuated and averaged about 41.07 USD/bbl. The price weakening mainly resulted from the concerns that the Coronavirus spread could harm demand. It was fuelled by the potential “lockout” measures and the report that showed a mixed trend of this energy source stocks. (Last week, oil stocks increased by about 700,000 barrels per day while gas supplies dropped by 7.7 million barrels). In some European countries, virus infections have risen again, including the UK and France, Spain. Moreover, the death toll has increased significantly in the USA, India and Latin America. The outlook on this fuel’s price remains to be closely monitored after Fed officials said a higher fiscal stimulus was crucial to sustaining the US recovery. In Europe, the head of commodity traders, Mercuria Energy Group, said that global oil markets would not be able to absorb the increase in OPEC+ production because of weaker-than-expected demand.

Table 4 - Economic indicators (21 - 25 September 2020)

Country	Indicator	Period	Expected value	Current value	Previous value
USA	Existing Home Sales The indicator shows records of sales in the US real estate sector and is revised monthly. This report provides a fairly 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.	August MoM%	2.4%	2.4%	24.7%
	Initial Jobless Claims Measures the number of people who receive unemployment benefits. It is similar to the applicant. The growing number of jobs accompanies an economic expansion that could influence inflationary pressures.	19 September K=1000	840K	870K	860K
Euro area	Consumer Confidence Index IT measures the services in the euro area.	September	50.6	47.5	51.5
Italy	Consumer Confidence Index This survey examines economic participants about their current and future expectations regarding the economy.	September	100.8	103.4	100.8

Source: Bloomberg