

EURUSD 1.2179
 At 19:38 Dp 1.2174 Hi 1.2174 Value 3/21/06
 Market Currency 1/4
 Range 3/17/05 - 3/17/06
 Upper Chart: Market Price
 1) News



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 December 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
- F.Mat's Bennett: U.S. Dollar, Fed Policy, Euro
- U.S. Longshore Senator 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) 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

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 fIYC1 I2
 For US swap Curve, type fIYC1 I52 <G

Podgorica, 31 December 2020

FX NEWS

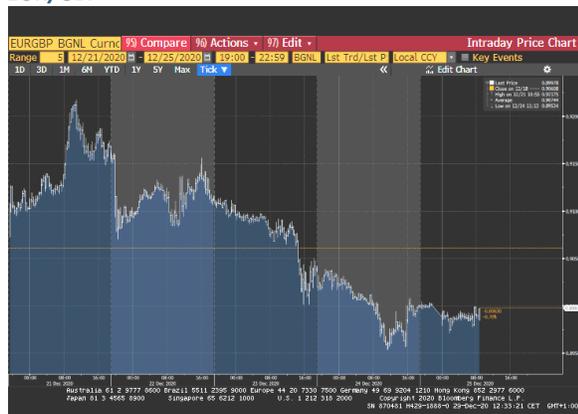
EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** lost little of its value during this reporting week. On Monday, it depreciated from 1.2237 to 1.2130, to reach 1.2250. It depreciated from 1.2257 to 1.2152 on Tuesday, as the demand for safe currencies grew due to discovering a new Coronavirus variant of the UK. However, the exchange rate recovered slightly over the next two days, while the markets were closed for Christmas on Friday. This week, the market focused on a potential EU-UK agreement, which was reached on Thursday, and on a US aid package, which was not adopted by the end of the reporting week. (During the week, Trump unexpectedly threatened to reject a package that includes 900 billion USD aid for Coronavirus and government funding). Significant economic data showed that consumer confidence in Germany fell as tighter lockdown measures lowered revenue expectations. Simultaneously, the US economy grew at a record high rate in Q3 of 33.4% compared year-on-year, resulting from financial assistance due to a pandemic. At the close of the market, the exchange rate stood at 1.2193.

EUR/GBP



Source: Bloomberg LP

During almost the entire reporting week, the **EUR/GBP exchange rate** trended down, hovering around 0.90 at the end of the week (compared to some 0.91 at the beginning of the week). The exception to this trend was the beginning of the week when it depreciated as the British Prime Minister urged France to reopen supply chains between Europe and the UK, which President Macron refused. However, on Tuesday, the UK and France agreed to lift the freight and passenger transport ban from the UK. Later this week, it was announced that the EU and UK negotiators had reached a historic trade agreement and they were finalising it. The agreement has yet to be approved by the British Prime Minister (Boris Johnson's final invitation to Ursula von der Leyen is expected). On Friday, the markets were closed due to the Christmas holidays.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate's** trend was similar to the EUR/USD exchange rate trend. On Monday, the exchange rate fell first, but returned to the initial level soon, and depreciated the next day. It recovered slightly by the end of the week but still recorded a weekly depreciation from 126.62 to 126.25.

Table 1 - Exchange rates of the most important currencies

	21.12.2020 ¹	25.12.2020 ²	% Change
EUR/USD	1.2257	1.2193	-0.52
EUR/GBP	0.90608	0.89978	-0.70
EUR/JPY	126.62	126.25	-0.29
EUR/AUD	1.60836	1.60636	-0.12
EUR/CHF	1.08215	1.08617	0.37
USD/JPY	103.30	103.43	0.13
GBP/USD	1.3523	1.3560	0.27

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%	21 January 2021
Federal Reserves	Federal Funds Target Rate	0.25%	27 January 2021
Bank of Japan	Overnight Call Rate	-0.10%	21 January 2021
Bank of England	Official Bank Rate	0.10%	4 February 2021
Swiss National Bank	Libor Target Rate	-0.75%	25 March 2021
Bank of Canada	Target Overnight Rate	0.25%	20 January 2021
Reserve Bank of Australia	Cash Rate Target	0.10%	2 February 2021

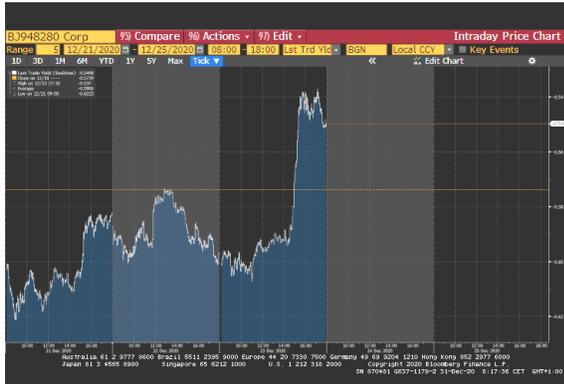
Table 3 - Eonia and Euribor

	21.12.2020 ³	25.12.2020 ⁴	Change in basis points
Eonia	-0.473	-0.470	0.30
Euribor 1W	-0.548	-0.570	-2.20
Euribor 1M	-0.560	-0.568	-0.80
Euribor 3M	-0.537	-0.542	-0.50
Euribor 6M	-0.520	-0.519	0.10
Euribor 12M	-0.498	-0.494	0.40

¹ Opening market value on Monday

² Closing market value on Friday

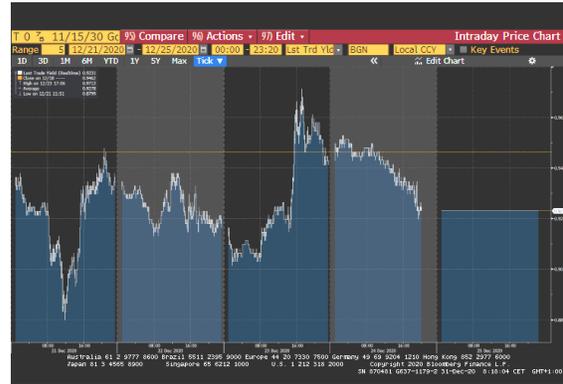
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year German government bonds has been rising this week. The return growth on 10-year bonds came due to increased risk appetite after the UK and EU reached a draft for a historic post-Brexit deal. Simultaneously, the US bonds' trend also affected the German bonds return growth. The bond market in Europe was closed on Thursday and Friday.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Early this week, the return on 10-year US government bonds rose slightly awaiting the 24 billion USD 20-year US bond auction. The next day, the yield on these bonds did not change much. It recorded a sharp rise in the middle of the week as the US President demanded removing certain items aid package and increasing the incentive amount. On Thursday, the yield on these bonds fell slightly. The markets were closed on Friday due to the holidays.

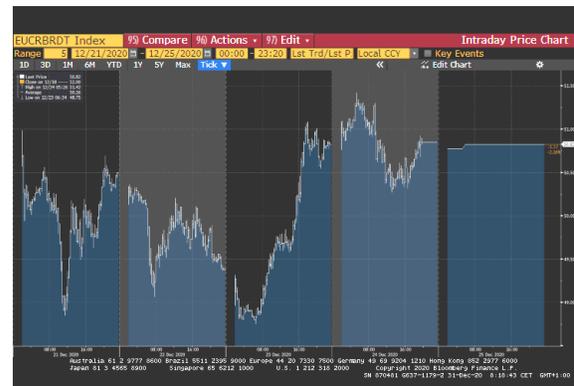
GOLD



Source: Bloomberg LP

The gold price fell during the first two days of this reporting period. The fall in the gold price came as the USD appreciated against a basket of currencies, making investments in gold more interesting. Over the next two days, the price rose slightly. The Americans faced the possibility of closing the government during the pandemic. The US President demanded changes in government funding and in the 900 billion USD aid packages. The gold market was closed on Friday due to the holidays.

OIL



Source: Bloomberg LP Bloomberg LP

On Monday, the oil price remained almost unchanged. It fell the next day after the media reported a mutated Coronavirus variant in the UK. In the middle of the week, the oil price saw a sharp rise. The fuel's stocks decline in the USA increased market optimism regarding the upcoming period's outlook. Moreover, many companies reported successful vaccines. The next day, the oil price did not change much. The market was closed on Friday due to the holidays.

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

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	<p>Consumer Confidence</p> <p>It measures consumer confidence in euro area countries. This figure is the result of a survey of euro area consumers in terms of their labour market finances, willingness to save, and expectations regarding the economy</p>	December	-17.3	-13.9	-17.6
Germany	<p>Imports Price Index</p> <p>The index shows changes in import prices for the month. It is an indicator of inflation. Since the CPI calculation takes into account prices of imported goods and services, this characterises the role of import prices in the overall picture of changes in retail prices in the basket of goods and services.</p>	November MoM% (YoY%)	0.3% (-0.4%)	0.5% (-3.8%)	0.3% (-3.9%)
Great Britain	<p>Gross domestic product (GDP)</p> <p>It is a basic macroeconomic indicator that represents the market value of products and services produced within the country. The following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.</p>	Q3 QoQ% (YoY%)	15.5% (-9.6%)	16.0% (-8.6%)	15.5% (-9.6%)
USA	<p>Initial Jobless Claims</p> <p>Measures the number of people receiving unemployment allowances. It is similar to the applicant. The growing number of jobs accompanies the economic expansion, which could influence inflationary pressures.</p>	December 19 K=1,000	880K	803K	885K

Source: Bloomberg