

EURUSD ↓ 1.2179
 At 19:38 Op 1.2174 Hi 1.2180 TTOL 1.2179/1.2180
 Value 3/21/06
 Currency 1/4
 Range 3/17/05 - 3/17/06
 Upper Chart: Market Price
 1) News



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	1.1909
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	1.1881
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

BLOOMBERG NEWS AUDIO/VIDEO
 Search Audio/Video 3/17/06 19:27:27

Bankinvest's Broby, Softbank, Vodafone, Oreal, Sile

ICAP's Smith, U.S. Bonds, Fed

F.M.'s Bennett, U.S. Dollar, Fed Policy, Euro

U.S. and General 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, Products

Daniel Broby, chief investment officer at Bankinvest, talks about Softbank Corp.'s agreement to buy Vodafone Group Plc's Japanese mobile-phone unit and L'Oréal SA's purchase of Body Shop International Plc.

LIVE <GO> Events

Event	Date	Time	Language	Type
14) Legal & General Teleconference: Full-Year Earnings	3/17	Now Playing	English	CF
15) UBS Warburg's Hickson: Outlook for Steel Industry	3/17	Now Playing	English	CF
16) European Commission: Daily News Conference	3/17	20:00 - 20:30	English	CF
17) Egypt's Mohamed: Sale of State-Owned Businesses	3/17	21:05 - 21:20	English	CF
18) Bonders Group Teleconference: 4th-Qtr Results	3/17	22:00 - 23:00	English	CF
19) AIG Teleconference About Fourth-Quarter Results	3/17	22:30 - 23:30	English	CF

US Semi 30/360

Ticker	Bid	Ask	Mid	Chng
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

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7930 7600 Germany 49 69 920410
 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 918 2000 Copyright 2006 Bloomberg L.P.
 8615-301-3 1P-MR-06 19/27/28

21) 2 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>

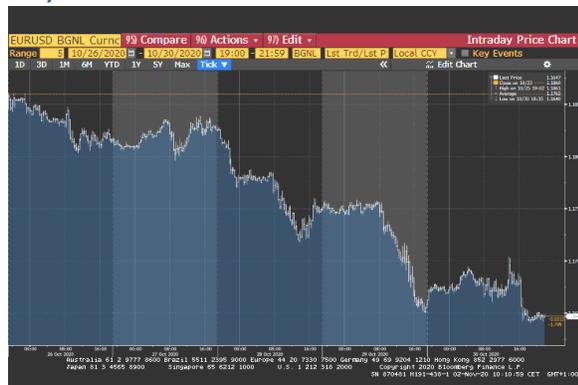
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 Change on Month
 IYC6 I48 <GO>
 For US Govt Yield Curve, type {IYC1 I2
 For US swap Curve, type {IYC1 I52 <G

International Financial Market Report
26 - 30 October 2020

Podgorica, 05 November 2020

FX NEWS

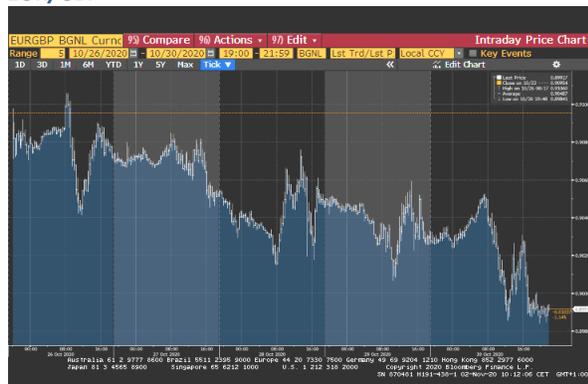
EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** had a downward trend during this reporting week. The USD appreciated due to investors' concerns about the growing number of coronavirus-infected people and uncertainty over the approval of the stimulus package, which spurred demand for safer investments. The euro depreciated due to an increase in COVID cases in Europe (which negatively affected investor confidence), of austerity measures related to lockouts in Italy and Spain, and speculation that the French government was considering to introduce a long national lockout of a month. Belgium and Greece have also joined a growing number of countries preparing new or further tightening measures aimed at halting the coronavirus spread. This exchange rate depreciated due to the expectations of the latest ECB new measures in December, and also due to strong US economic data. (In Q3, GDP recorded a record growth of 33.1% compared year-on-year, and the number of new applications for unemployment benefits was less than expected).

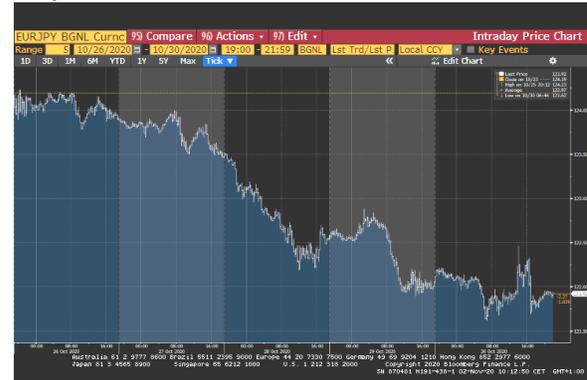
EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** had a volatile trend during the reporting week. A rising number of new infections in Europe and the UK reduced the demand for sterling. Uncertainty over Brexit remained. Former Belgian Prime Minister Charles Michel, who now chairs EU leaders' summits in Brussels, said the two sides were still struggling to bridge differences in fisheries, to provide "guarantees of equal conditions, especially concerning subsidy laws and the agreement implementation".

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** trended down during this reporting week. Growing demand for safe investments supported the yen, and the stock prices on US and European stock exchanges dropped. The overall situation with the coronavirus has caused an increase in the demand for safe funds. Thus, the value of the Japanese currency appreciated. This week, the Bank of Japan (BoJ) held its meeting. The interest rate has not changed, but economic growth and inflation forecasts in the current fiscal year have been reduced. In contrast, the outlook related to the recovery has improved, with the BoJ adding that sufficient incentive measures have been taken so far.

Table 1 - Exchange rates of the most important currencies

	26.10.2020 ¹	30.10.2020 ²	% Change
EUR/USD	1.1860	1.1647	-1.80
EUR/GBP	0.90954	0.89960	-1.09
EUR/JPY	124.19	121.93	-1.82
EUR/AUD	1.66156	1.65708	-0.27
EUR/CHF	1.07276	1.06806	-0.44
USD/JPY	104.71	104.66	-0.05
GBP/USD	1.3039	1.2947	-0.71

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%	5 November 2020
Bank of Japan	Overnight Call Rate	-0.10%	18 December 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%	9 December 2020
Reserve Bank of Australia	Cash Rate Target	0.25%	3 November 2020

The ECB, the Bank of Japan and the Bank of Canada held regular sessions during this reporting week. They did not change their reference interest rates. The ECB meeting went as expected. There was no change either in interest rates or in the amount of the Pandemic Purchase Programme, reiterated to last no later than June 2021. It will not complete until the “critical phase” of the pandemic ends. The Bank of Japan has lowered its forecasts for economic growth and inflation in the current fiscal year. In contrast, its outlook on recovery has improved, with the BoJ adding that sufficient incentive measures have been taken so far.

Table 3 – Eonia i Euribor

	26.10.2020 ¹	30.10.2020 ²	Change in basis points
Eonia	-0.468	-0.472	-0.40
Euribor 1W	-0.533	-0.541	-0.80
Euribor 1M	-0.539	-0.548	-0.90
Euribor 3M	-0.512	-0.523	-1.10
Euribor 6M	-0.496	-0.521	-2.50
Euribor 12M	-0.464	-0.489	-2.50

¹ Opening market value on Monday

² Closing market value on Friday

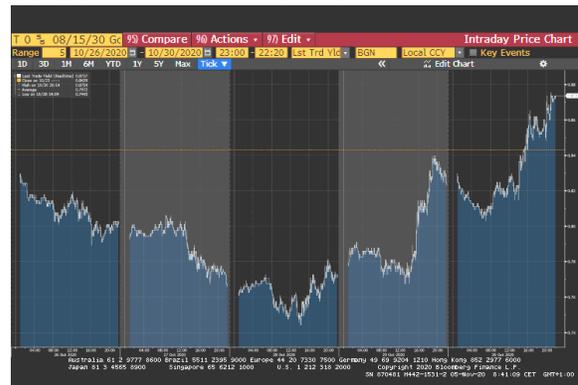
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year German bonds rose slightly during Monday, to see a sharp decline the next day as demand for safe funds rose as the number of people infected with the coronavirus continued to grow. The news that German companies are pessimistic about the economic recovery in the coming period also had an effect (the index measuring the business climate fell from 93.2 to 92.7 in October). During the rest of the week, the return on these bonds did not change much. It stood between -0.62% and 0.64%.

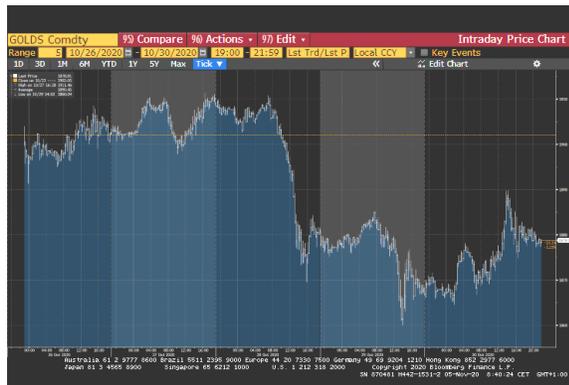
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year US government bonds declined during the first three days of this reporting period, as the demand for safe funds increased after the coronavirus continued to spread around the world, and as no agreement was reached in the US about the help package. Over Thursday and Friday, the return on these bonds also recovered due to uncertainty of the US presidential election. At the end of this week, the yield on 10-year bonds was at 0.87%.

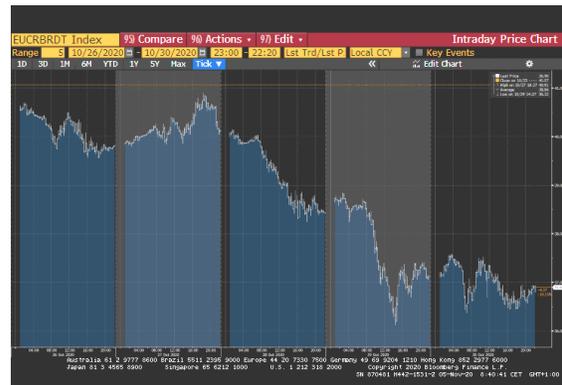
GOLD



Izvor: Bloomberg LP

The gold price was stable during the first two days of this week. In the middle of the week, it dropped more significantly as the dollar appreciated against other currencies. During Thursday, the price continued to fall. Still, it recovered on Friday, as the coronavirus spread again in Europe and the USA, leading to reintroducing lockout in some countries.

OIL



Source: Bloomberg LP

The oil price was dropping almost constantly during this reporting period. During this period, the price drop was due to concerns that the coronavirus situation will negatively affect the oil demand recovery, together with weak prospects for the adoption of aid packages in the USA.

Table 4 - Economic indicators (26 – 30 October 2020)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	<p>Unemployment Rate A percentage of jobless persons at the labour market actively looking for job. In general, higher unemployment rate weakens the economy and results in lower personal spending.</p>	September MoM%	8.2%	8.3%	8.3%
	<p>GDP s.a. 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 GDP calculation uses the following four components: consumption, investments, government expenditure, and net exports.</p>	Q3 QoQ% (YoY%)	9.6% (-7.0%)	12.7% (-4.3%)	-11.8% (-14-8%)
	<p>CPI estimate This index uses available data comparable to a historical trend in order to anticipate changes in consumer prices. Estimates the changes in the consumer prices, by measuring changes in the price level of market basket of consumer goods and services purchased by households, thus representing the key inflation measure in the Euro area. Positive CPI points to price increase.</p>	October MoM%	-0.3%	-0.3%	-0.3%
USA	<p>Durable Goods Orders This is an indicator of consumer safety that reflects their expectations and the ability to spend money. Its positive growth marks the state of the economy, helping to strengthen the currency. Its decline leads to the opposite result. The DGO index is an excellent indicator for the future. Many manufacturers plan production based on available orders, the decline in DGO precedes the decline in production and vice versa.</p>	September MoM%	0.5%	1.9%	0.4%
	<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>	24 October K=1,000	770k	751k	791k

Source: Bloomberg