

EURUSD ↓ 1.2179
At 19:38 Op 1.2174 HI 1.2179 Value 3/21/06
1.2179/1.2180 TTOL
L.2174 Value 3/21/06
Currency 1/4



CENTRALNA BANKA
CRNE GORE

Range 3/17/05 - 3/17/06
Upper Chart: 3 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 2/22	1.1911
T 3/16	1.2050	T 2/21	1.1914
W 3/15	1.2050	M 2/20	1.1946
T 3/14	1.2016	F 2/17	1.1909
M 3/13	1.1934	T 2/16	1.1891
F 3/10	1.1894	W 2/15	1.1884
T 3/ 9	1.1909	T 2/14	1.1897
W 3/ 8	1.1928	M 2/13	1.1902
T 3/ 7	1.1889	F 2/10	1.1919
M 3/ 6	1.1996	T 2/ 9	1.1974
F 3/ 3	1.2025	W 2/ 8	1.1944
T 3/ 2	1.2012	T 2/ 7	1.1974
W 3/ 1	1.1913	M 2/ 6	1.1962
T 2/28	1.1923		
M 2/27	1.1853		

International Financial Market Report

(6-10 December 2021)

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. Clean Energy Fed
- F.Marks Bennett: U.S. Dollar, Fed Policy, Euro
- U.S. Commerce Secretary Walker: Fiscal Policy and Deficit
- Commodity Bank's Thurlbell: 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, Products

10 Bloomberg TV Live 11 Bloomberg Radio Live 12 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 Mubaidin: Sale of State-Owned Businesses	3/17	21:05 - 21:20	English	🔊
18) Borders 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. 1 212 318 2000 Copyright 2006 Bloomberg L.P.
8615-351-3 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

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 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, 15 December 2021

FX NEWS

EUR/USD



Source: Bloomberg LP

Early this week, the **EUR/USD exchange rate** decreased during the first two days of this reporting week. This exchange rate declined after growing expectations that interest rates in the USA would rise much sooner than in Europe. In the middle of the week, the EUR/USD exchange appreciated sharply. It resulted from investors' growing trend to risk in riskier investments after Pfizer's announced that three doses of their vaccine neutralised the Omicron coronavirus strain. The new initial social claims data fell to the lowest level in the USA since 1969 caused the EUR/USD exchange rate to depreciate on Thursday. On Friday, this exchange rate appreciated slightly after announcing that the US inflation increased recorded a monthly increase of 0.8% in November and 6.8% compared year-to-year. This growth was in line with market analysts' expectations.

EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** depreciated during the first two days of this reporting period. The exchange

rate's depreciation came after the BoE Deputy Governor's Ben Broadbent's statement that monetary policymakers were facing an extremely challenging period for decision-making. He believed that inflation would rise further in the coming months with a chance to exceed 5%. The EUR/GBP appreciated sharply in the middle of the week due to the possibility that new restrictions would be introduced in the UK as the coronavirus continued to spread. This exchange rate depreciated during the rest of the week.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** appreciated earlier in the week as demand for the yen declined as a safe investment as concerns about the Omicron coronavirus strain eased. In the middle of the week, this exchange rate recorded a high appreciation after Pfizer announced that the third dose of their vaccine would neutralise the Omicron coronavirus strain. This exchange rate depreciated slightly during the rest of the week.

Table 1 - Exchange rates of the most important currencies

	06.12.2021¹	10.12.2021²	% Change
EUR/USD	1.1315	1.1313	-0.02
EUR/GBP	0.85490	0.85285	0.73
EUR/JPY	127.64	128.32	-0.55
EUR/AUD	1.61722	1.577741	1.79
EUR/CHF	1.03811	1.04212	-0.56
USD/JPY	112.80	113.44	-0.51
GBP/USD	1.3236	1.3273	-0.76

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%	16 December 2021
Federal Reserves	Federal Funds Target Rate	0.25%	15 December 2021
Bank of Japan	Overnight Call Rate	-0.10%	17 December 2021
Bank of England	Official Bank Rate	0.10%	16 December 2021
Swiss National Bank	Libor Target Rate	-0.75%	16 December 2021
Bank of Canada	Target Overnight Rate	0.25%	26 January 2022
Reserve Bank of Australia	Cash Rate Target	0.10%	1 February 2022

Table 3 - Eonia and Euribor

	06.12.2021¹	13.12.2021²	Change in basis points
Eonia	-0.493	-0.492	0.1
Euribor 1W	-0.573	-0.570	0.3
Euribor 1M	-0.569	-0.576	-0.7
Euribor 3M	-0.563	-0.588	-2.5
Euribor 6M	-0.537	-0.543	-0.6
Euribor 12M	-0.500	-0.498	0.2

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 fluctuated around 4 basis points during the first two days. Reducing concerns about the omicron virus strain caused an increased demand for riskier drugs. On Wednesday morning, the return on 10-year German government bonds stood at -0.41% to rise to -0.31% during the day. The return on German bonds recovered after publishing a report that showed that the omicron variant was neutralised with three doses of Pfizer vaccine, which reduced the demand for safe funds. At the end of the week, the omicron strain was again in the investors' focus and increased the demand for secure funds. On the last day, the return fluctuated around 2 basis points.

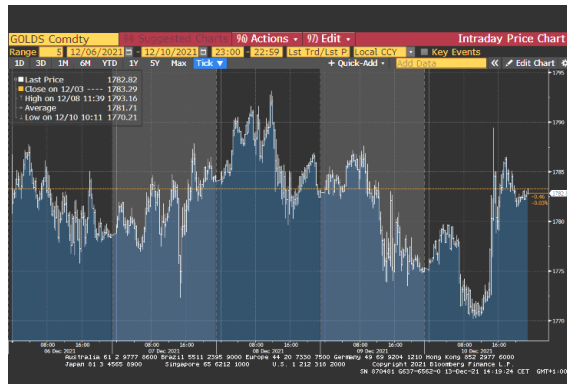
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on US 10-year government bonds rose sharply at the beginning of the week to almost 1.44% as declining concerns about the omicron coronavirus strain caused demand for more risky assets to grow. Until Wednesday, the return on these bonds increased mainly amid optimism on the economy's outlook due to increasing signs that the omicron coronavirus strain could not be worse than the delta variant. On Wednesday, the return on US 10-year government bonds trended up. It recorded a daily high of 1.54% after publication that a new omicron virus strain may not substantially impact the economy as previously expected. At the end of the week, the return on US 10-year government bonds fell after releasing US inflation data. Despite strong growth, it was in line with expectations, which reflected a drop in the return on 10-year US government bonds. Still, towards the end of the day, the return recovered slightly as the auction of 30-year US bonds recorded lower than expected demand.

GOLD



Source: Bloomberg LP

The gold price fluctuated on Monday mainly due to the USD appreciation and the growing returns on US government bonds and decreased concerns about the omicron virus strain spread. Geopolitical tensions also grew during this period. Namely, the US and European allies discussed sanctions against Russia's largest banks and this country's possibility of converting rubbles into dollars and other currencies if President Putin invaded Ukraine. The gold price rose on Tuesday afternoon after announcing that the US trade deficit in October was lower than expected. The gold price mostly trended down on Wednesday and Thursday as the USD was under pressure. Other reasons were investors assessing the latest discoveries of existing vaccines' resistance against the new strain and geopolitical risks regarding US-Russian relations. The gold price fell on Thursday due to the USD appreciation to grow on Friday after published data on US inflation in November.

OIL



Source: Bloomberg LP

Oil price was rising in the first half of the week as concerns about the omicron strain's impact on global fuel demand reduced, and a stalemate in Iran-US nuclear talks reduced Iran's oil exports likelihood. The short-term weakening of the price on Tuesday resulted from stocks data. API (American Petroleum Institute) data showed that oil inventories fell by 3.1 million barrels last week while fuel inventories rose by 3.7 million barrels. On Wednesday, oil prices rose slightly. Research showed that existing vaccines against Covid-19 were effective against a new coronavirus strain, suppressing fears of declining fuel demand and US crude oil inventories fell slightly. On Thursday, the oil price fell mainly due to the risks posed by the omicron strain spread and the tightening of measures in some countries regarding this fuel's demand. At the end of the week, the oil price rose due to the signal that the omicron coronavirus strain would not be as bad as the initial estimates showed. The growth also resulted from speculation that China could introduce fiscal incentives next year.

Table 4 - Economic indicators (6 - 10 December 2021)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Gross Domestic Product (GDP) 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 following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.	Q3 QoQ% (YoY%)	2.2% (3.7%)	2.2% (3.9%)	2.2% (3.7%)
	Industrial output It measures the output of the energy sector, factories and mines. Growing industrial production points to increased production and economic expansion.	October MoM% (YoY%)	0.1% (2.2%)	-0.6% (1.4%)	-0.4% (2.9%)
Germany	Industrial output It measures the output of the energy sector, factories and mines. Growing industrial production points to increased production and economic expansion.	October MoM%	1.0%	2.8%	-1.1%
	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.	November MoM% (YoY%)	-0.2% 5.2%	-0.2% 5.2%	-0.2% 5.2%
USA	Initial Jobless Claims It measures the number of people who receive unemployment benefits.	4 December K=1,000	220K	184K	222K
	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.	November MoM% (YoY%)	0.7% (6.8%)	0.8% (6.8%)	0.9% (6.2%)

Source: Bloomberg