



Financial and Banking Operations Department -International Reserves Management Division-

EUR EURO SPOT PRICE 1.2181

Range 9/19/05 to 3/17/06 Period D Daily Market Y mid/trd

DATE	PRICE	DATE	PRICE
F 3/17	1.2181	F 2/17	1.1878
T 3/16	1.2050	T 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1914
T 3/14	1.2016	M 2/20	1.1946
M 3/13	1.1934	F 2/17	1.1909
F 3/10	1.1894	T 2/16	1.1911
T 3/ 9	1.1909	W 2/15	1.1884
W 3/ 8	1.1928	T 2/14	1.1897
T 3/ 7	1.1889	M 2/13	1.1902
M 3/ 6	1.1996	F 2/10	1.1919
F 3/ 3	1.2025	T 2/ 9	1.1974
T 3/ 2	1.2012	W 2/ 8	1.1944
W 3/ 1	1.1913	T 2/ 7	1.1974
T 2/28	1.1923	M 2/ 6	1.1962
M 2/27	1.1853		

International Financial Market Report

(19 - 23 April 2021)

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.Mart'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 7530 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

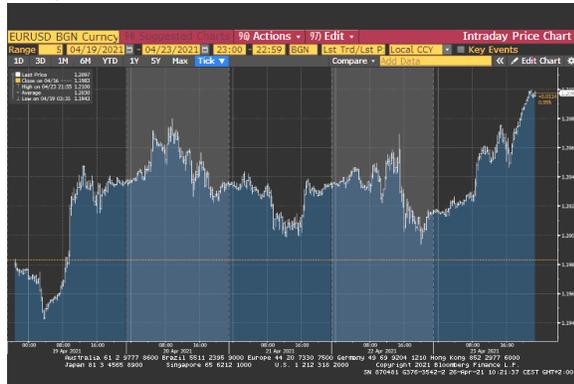
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	52.75	52.25	+.45
30) 10 YR	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 I48 <GO>
For US Govt Yield Curve, type {IYC1 I2
For US swap Curve, type {IYC1 I52 <G

Podgorica, 28 April 2021

FX NEWS

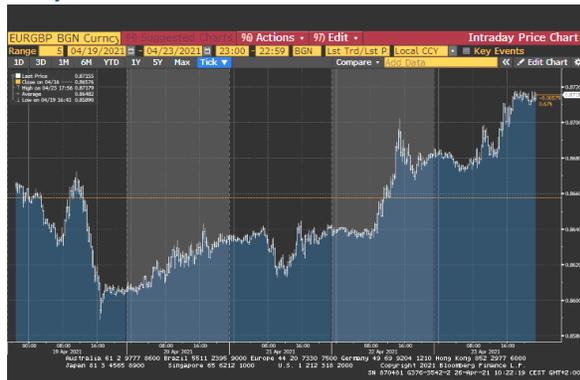
EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** appreciated rose on Monday due to optimism that the vaccination process in Europe will accelerate in the coming period. It may lead the ECB to increase its economic outlook forecasts. The exchange rate continued to appreciate to 1.2080 the next day (7-week maximum), after which it began to depreciate. The depreciation was caused by the euro's depreciation occurring after a public opinion poll. It showed that the German Green Party had the lead over Chancellor Merkel's conservative bloc in the run-up to parliamentary elections in this country in 5 months. On the other hand, the USD appreciated as the risk appetite decreased due to Japan's measures limiting the virus spread. The escalation of tensions regarding Ukraine had an adverse impact on the euro. The EUR/USD exchange rate did not change significantly until the ECB meeting, after which it began to depreciate slightly. The exchange rate depreciation came after President Lagarde's comments that it was too early to consider withdrawing the PEPP programs, which had caused the euro to weaken. The exchange rate appreciated again on Friday due to encouraging economic data in the euro area.

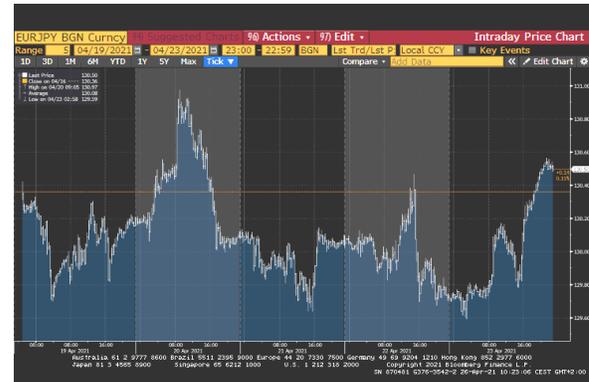
EUR/GBP



Source: Bloomberg LP

On the first day of this reporting week, the **EUR/GBP exchange rate** depreciated due to optimism about the UK economy's reopening. Later this week, the exchange rate's appreciated. Namely, the sterling depreciated after the UK's inflation rose, still less than expected. In addition, this economy's labour market has weakened unexpectedly, as companies' payrolls have shrunk for the first time in four months. The unemployment rate fell to 4.9% over the three months ending in February. Some 80 thousand people became economically inactive, indicating that they had stopped looking for work.

EUR/JPY



Izvor: Bloomberg LP

The **EUR/JPY exchange rate** depreciated on Monday morning due to concerns about US-China political tensions. It appreciated during the rest of the day due to optimism that the vaccination process in Europe would accelerate. On Tuesday, the exchange rate appreciated for most of the day to fall in the afternoon, as the yen appreciated due to falling stock prices. This exchange rate also depreciated later this week, as concerns about the growing number of coronavirus-infected globally stimulated risk aversion and increased the demand for safe funds. The S&P credit agency confirmed the A + credit rating to Japan, and the outlook remained stable. On Friday, the EUR/JPY exchange rate recovered as demand for safe assets decreased due to rising stock prices.

Table 1 - Exchange rates of the most important currencies

	19.04.2021 ¹	23.04.2021 ²	% Change
EUR/USD	1.1983	1.2097	0.95
EUR/GBP	0.86576	0.87148	0.66
EUR/JPY	130.36	130.49	0.10
EUR/AUD	1.54952	1.56293	0.87
EUR/CHF	1.10264	1.10530	0.24
USD/JPY	108.80	107.88	-0.85
GBP/USD	1.3832	1.3876	0.32

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%	10 June 2021
Federal Reserves	Federal Funds Target Rate	0.25%	28 April 2021
Bank of Japan	Overnight Call Rate	-0.10%	27 April 2021
Bank of England	Official Bank Rate	0.10%	6 May 2021
Swiss National Bank	Libor Target Rate	-0.75%	17 June 2021
Bank of Canada	Target Overnight Rate	0.25%	9 June 2021
Reserve Bank of Australia	Cash Rate Target	0.10%	4 May 2021

The European Central Bank and the Bank of Canada held their respective meetings during this reporting week. Both banks maintained reference interest rates at existing levels. At its meeting, the ECB left the deposit rate at -0.50%. It said that it would continue to provide long-term loans to banks to provide lending to businesses and households. The ECB has kept the pandemic bond purchase programme at 1.85 trillion euros and confirmed it would purchase at a higher rate this quarter. At the conference after the meeting, President Lagarde said the institution was not considering withdrawing the PEPP programme, despite indications on the European economy started recovery.

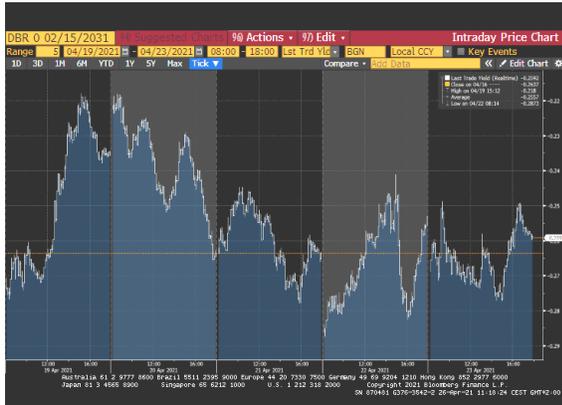
Table 3 - Eonia and Euribor

	19.04.2021 ¹	23.04.2021 ²	Change in basis points
Eonia	-0.480	-0.480	0.00
Euribor 1W	-0.558	-0.561	-0.30
Euribor 1M	-0.553	-0.557	-0.40
Euribor 3M	-0.538	-0.539	-0.10
Euribor 6M	-0.511	-0.515	-0.40
Euribor 12M	-0.478	-0.476	0.20

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 earlier in the week due to expectations that the accelerated vaccination process in Europe would help the ECB improve its economic outlook. On Tuesday, the return fell by about 4 bp and followed the US market bond trend (at the end of the day, it stood at -0.26%). During the rest of the week, the return fluctuated from -0.24% to -0.28%. On Wednesday, the return on German 10-year government bonds rose to -0.24%, awaiting the ECB meeting. However, after the meeting, it fell to -0.28%, following President Lagarde's comments. However, this decline was short-term as the return returned to -0.25% at the end of the day. On Friday, the demand for safe funds reduced due to encouraging data from the euro area.

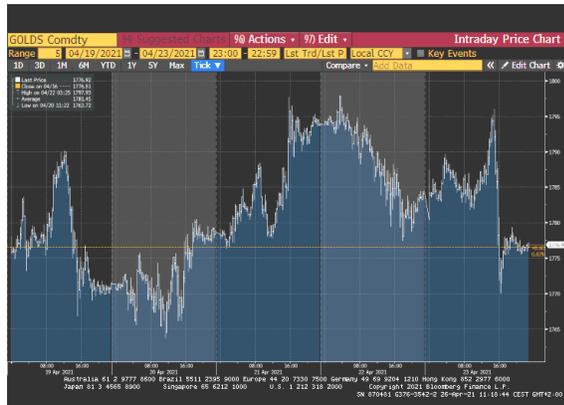
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year US bonds rose slightly earlier this week, mainly due to increased optimism that mass vaccinations would help improve the economic outlook. It fell on Tuesday and Wednesday due to weakening stock prices on US stock exchanges. As the week continued, the return fluctuated slightly, to growth at the very end of the week. The growth was caused by the stock prices recovery in the markets and strong data from the US real estate market.

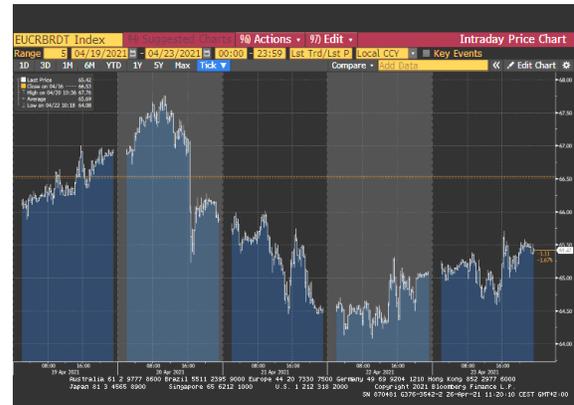
GOLD



Source: Bloomberg LP

The gold price fluctuated slightly at the very beginning of this period. It rose on Tuesday due to a falling return on US government bonds, falling stock prices and investors' caution regarding the pandemic, given a jump in the number of infected in some countries. This precious metal's price rise resulted from concerns about the deteriorating virus situation that could lead to a new lockdown and a global economic recovery slowdown. The gold price fell on Thursday as the USD appreciated against a basket of currencies, making investing in gold a less attractive investment. On Friday, the gold price declined due to announcements that Republicans might support the 900 billion USD plan intended for US infrastructure, which reduced the demand for safe funds.

OIL



Source: Bloomberg LP

The oil price grew on Monday as the USD depreciated against a basket of currencies, making an investment in oil more attractive. On Tuesday, it started the day with a rising trend, falling quickly and achieving the most significant drop in the last two weeks during the day. The decline resulted from an increased number of people infected with the coronavirus in some of the world's largest oil importers, pointing to an uneven recovery path. The price also fell after an API (American Petroleum Institute) report showed that US oil inventories rose by 436 thousand barrels last week. On Wednesday, the oil price recovered due to concerns that the coronavirus spread in India, the third-largest oil importer in the world, would reduce demand for this fuel. After that, it rose expecting that the White House would announce an economic package (larger than 1 trillion USD) during the following week. The oil price rose until Friday evening, as concerns about the growing number of patients in India and Japan questioned the prospects concerning this fuel's demand.

Table 4 - Economic indicators (19 - 23 April 2021)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Markit Eurozone Composite PMI PMI surveys tracks opinion among purchasing managers at manufacturing, construction and/or services firms. The index was obtained from the results of questionnaires related to production, orders, stocks, employment, prices, etc.	April	52.9	53.7	53.2
	Consumer Confidence 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.	April	-11.0	-8.1	-10.8
Germany	Producer Price Index (PPI) This index measures changes in producer prices, also known as factory prices. These are prices paid by domestic producers before retail. The growth of these prices is an early inflation indicator, because rising production prices can be “passed on” to consumers through higher retail prices.	March MoM% (YoY%)	0.6% (3.3%)	0.9% (3.7%)	0.7% (1.9%)
USA	New Home Sales The indicator shows the sale of newly built properties in the United States. The figure is a temporary indicator of the housing market calculating the sale of houses when housing contracts have been signed.	March MoM%	14.2%	20.7%	-16.1%
	Initial Jobless Claims 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.	April 17 K=1,000	610 K	547 K	586 K

Source: Bloomberg