

EURUSD 1.2179
At 19:38 Dp 1.2174 Hi 1.2174 Value 3/21/06
1.2179/1.2180 TTOL
1.2174 Value 3/21/06



CENTRALNA BANKA
CRNE GORE

Range 3/17/05 - 3/17/06
Upper Chart: 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 2/17	1.1878
T 3/16	1.2050	T 2/16	1.1931
W 3/15	1.2050	W 2/15	1.1884
T 3/14	1.2016	T 2/14	1.1897
M 3/13	1.1934	M 2/13	1.1902
F 3/10	1.1894	F 2/10	1.1919
T 3/ 9	1.1909	T 2/ 9	1.1974
W 3/ 8	1.1928	W 2/ 8	1.1944
T 3/ 7	1.1889	T 2/ 7	1.1974
M 3/ 6	1.1996	M 2/ 6	1.1962
F 3/ 3	1.2025		
T 3/ 2	1.2012		
W 3/ 1	1.1913		
T 2/28	1.1923		
M 2/27	1.1853		

International Financial Market Report

(22 - 26 March 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. Dollar, Fed
- F.Mat's Bennett: U.S. Dollar, Fed Policy, Euro
- U.S. Longshore Investor 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

Daniel Brody, chief investment officer at...
Japanese mobile-phone unit and L'Oreal SAS purchase of Body Shop International Plc.

Bloomberg TV Live | Bloomberg Radio Live | 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

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

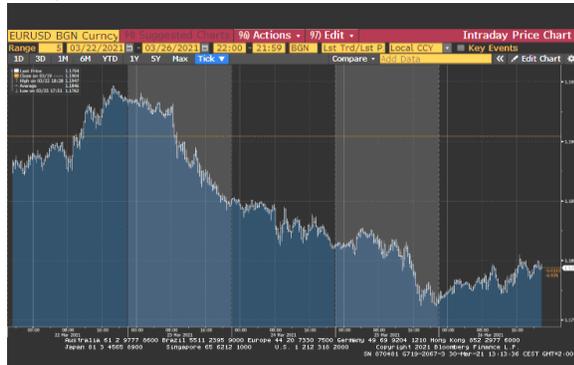
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Change on Month
IYC6 I52 <GO>

Change on day
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Change on Month
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For US Govt Yield Curve, type {IYC1 I2
For US swap Curve, type {IYC1 I52 <G

Podgorica, 31 March 2021

FX NEWS

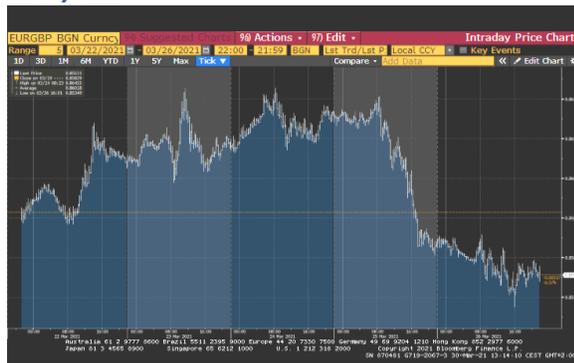
EUR/USD



Source: Bloomberg LP

On the first day of this reporting week, the **EUR/USD exchange rate** appreciated from 1.1879 to 1.1947. The ECB increased bond purchases in the previous week from 14 to 21 billion euros, indicating its clear intention to limit bond return growth. The USD depreciated after announcing that existing real estate sales in the USA fell by 6.6% in February, with an expected decline of 3%, and slightly revising the previous month data downwards. The exchange rate depreciated later this week. The EUR/USD exchange rate depreciated as Europe faced a challenging second quarter due to continuing coronavirus spread and as governments reintroduce locking measures. Although the euro area's business activity increased unexpectedly this month, this situation is unlikely to last in April. A third coronavirus wave hit Europe, and most economies are locked, causing the European currency to weaken. On the other hand, the USD was supported by Dallas Fed Chair's statement that the economic outlook had significantly improved. He was one of the Fed members who expected that the central bank could increase its key interest rate next year. The USD was backed by optimism about improving US economic data, the vaccination process, and rising US bonds returns. At the end of the week, the EUR/USD exchange rate stood at 1.1794.

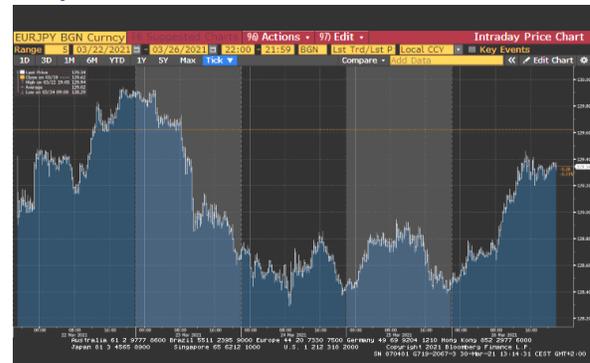
EUR/GBP



Source: Bloomberg LP

During the first three days of this reporting week, the **EUR/GBP exchange rate** was appreciating. It appreciated as sterling depreciated due to the "conflict" between the EU and the UK over vaccines. The EU was ready to start withdrawing vaccines from the UK, risking deteriorated relations with London. Namely, the EU was likely to refuse authorisation to export AstraZeneca vaccines to the UK until this manufacturer met its delivery obligations to the EU. Following Thursday's Summit, the EUR/GBP exchange rate deteriorated sharply. Given their interdependence, the EU and the UK issued a joint statement on their work on concrete short, medium and long term steps to create a win-win position concerning the vaccines for all parties. The exchange rate was stable on Friday.

EUR/JPY



Source: Bloomberg LP

On the first day of this reporting week, the **EUR/JPY exchange rate** depreciated as stock prices increase drove the Japanese currency's depreciation. The next day, the price fell as demands for safe funds increased after many European countries tightened lockdown measures. The exchange rate was stable on Wednesday and Thursday, to appreciate again on Friday due to the stock prices recovery reducing investors' interest in the yen.

Table 1 - Exchange rates of the most important currencies

	22.03.2021 ¹	26.03.2021 ²	% Change
EUR/USD	1.1904	1.1794	-0.92
EUR/GBP	0.85828	0.85511	-0.37
EUR/JPY	129.62	129.34	-0.22
EUR/AUD	1.53752	1.54433	0.44
EUR/CHF	1.10611	1.10754	0.13
USD/JPY	108.88	109.64	0.70
GBP/USD	1.3872	1.3789	-0.60

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%	22 April 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%	21 April 2021
Reserve Bank of Australia	Cash Rate Target	0.10%	6 April 2021

At its regular meeting, the Swiss National Bank kept interest rates at current levels. The SNB stated it was ready to intervene in the FX market, expected a 0.2% inflation in 2021 and a 0.4% growth in 2022.

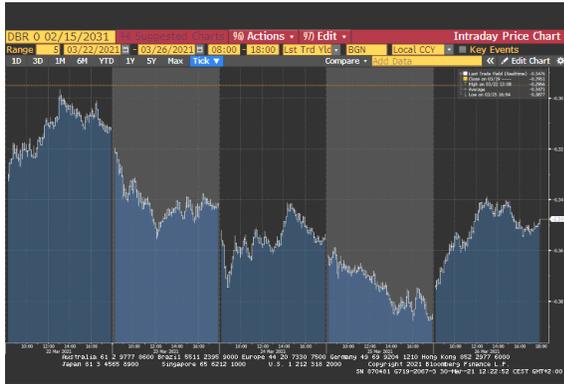
Table 3 - Eonia and Euribor

	22.03.2021 ¹	26.03.2021 ²	Change in basis points
Eonia	-0.480	-0.483	-0.30
Euribor 1W	-0.559	-0.559	0.00
Euribor 1M	-0.553	-0.550	0.30
Euribor 3M	-0.539	-0.537	0.20
Euribor 6M	-0.515	-0.514	0.10
Euribor 12M	-0.483	-0.489	-0.60

¹ Opening market value on Monday

² Closing market value on Friday

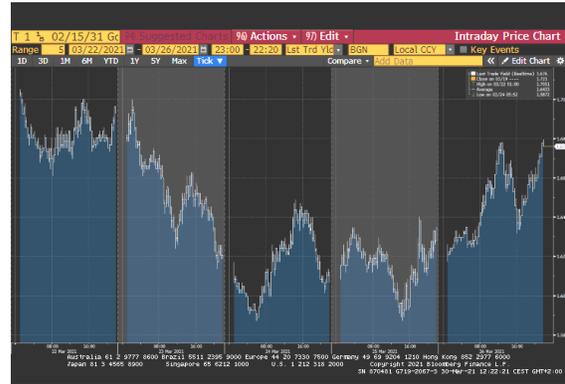
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year German government bonds rose slightly on Monday. The very next day, it recorded a decline lasting until Friday. During the mentioned period, the returns on German bonds weakened after releasing that Germany would remain locked during the Easter holidays due to the coronavirus mutated versions' spread. An additional factor contributing to the decline in these bonds' return was the concerns about restrictions in other European countries and their impact on the economy. On Friday, the return on German bonds recovered slightly, and the return on 10-year bonds stood at -0.35%.

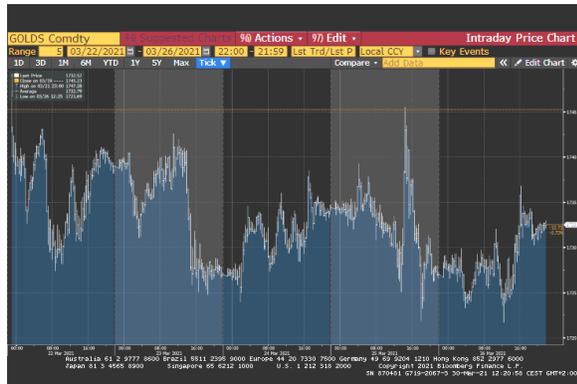
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on US 10-year bonds was stable on Monday. The next day, it dropped as the Fed Chair warned Congress that the economic recovery was "far from complete". He did not expect US inflation to spiral out of control, despite expecting consumer prices to increase during the year. Return on US bonds' decline stopped in the middle of the week to start growing until Friday. The returns recovered in the second half of the week as the demand for 7-year US bonds was weak at the auction. The Congress Democrats were confident about adopting more than 3 trillion USD worth of economic aid package, funded by increased taxes on businesses and the rich, without Republicans' support. The return on 10-year US bonds was at 1.67% at the very end of the week.

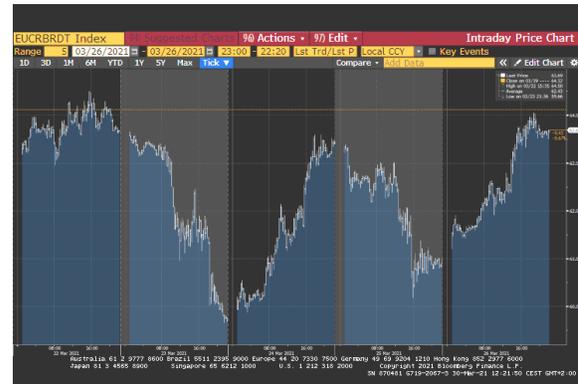
GOLD



Source: Bloomberg LP

The gold price fluctuated widely this week. On Monday, it did not record a significant daily change. Yet, it declined on Tuesday as the USD appreciation affected this type of investment's demand. On Wednesday, the gold price rose slightly due to concerns about the pandemic in Europe. Despite a short jump, it trended down on Thursday as the recovery in US bonds' returns affected the gold demand decline. Over the last day, the gold price rose again after announcing that the US population's consumption dropped by 1%, more than the expected 0.8%.

OIL



Source: Bloomberg LP

The oil price was stable on Monday. It declined on Tuesday due to concerns that the fuel's demand recovery would slow down due to new lockdown measures and a slow vaccination process in Europe. In the middle of the week, the price recovered, as the US government report showed that domestic fuel consumption was the highest in the last four months. The refineries increased demand, and OPEC officials hinted at the organisation's cautious attitude and likely keeping production unchanged at the upcoming meeting. The oil price dropped again on Thursday due to pessimism regarding the European economies' lockdown. On Friday, the price declined again after investors assessed the impact of the Suez Canal blocking on the global oil supply during the block. They also evaluated the possibility of rising oil tanker costs after considering a more expensive route around Africa.

Table 4 - Economic indicators (22 - 26 March 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.	March	49.1	52.5	48.8
	Consumer Confidence EC 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.	March	-15.5	-10.8	-14.8
Germany	Ifo Business climate Monthly survey of companies in Germany (in production, construction, wholesale and retail), in terms of the current business climate and expectations for the next 6 months. Given that Germany "accounts for" a quarter of the total GDP of the euro area, this is a significant indicator of the economic health of the euro area as a whole.	March	93.2	96.6	92.7
	GfK Consumer Confidence This survey measures household confidence in the economy's performance. In general, growing confidence is a prerequisite for higher personal consumption that leads to economic expansion.	March	-12.1	-6.2	-12.7
USA	Initial Jobless Claims Measures the number of people who receive unemployment benefits. Similar to the applicant, the growing number of jobs is accompanied by an economic expansion that could influence inflationary pressures	March 20 K=1000	730K	684K	781K
UK	ILO Unemployment Rate Unemployment, defined by the International Labour Organization (ILO), represents a situation where people are unemployed but actively looking for a job. Unemployment rate measures the size of unemployment and is obtained as a percentage when the number of unemployed individuals is shared with all individuals currently on the labour market.	January	5.2%	5.0%	5.1%

Source: Bloomberg