



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	1.1911
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	1.1864
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

(22 - 26 November 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 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.
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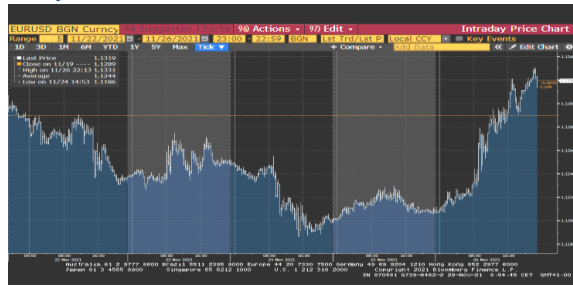
USD INTEREST RATE SWAPS					RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng	Ticker	Bid	Ask	Mid	Chng
US Semi 30/360					US SPREADS				
2) 2 YR	5.0670	5.0800	5.0755	+0.0305	22) 2 YR	42.88	44.13	43.50	--
3) 3 YR	5.0500	5.0720	5.0610	+0.0330	23) 3 YR	41.50	42.75	42.13	-0.17
4) 4 YR	5.0620	5.0740	5.0680	+0.0250	24) 4 YR	44.38	45.63	45.00	-0.10
5) 5 YR	5.0860	5.0920	5.0890	+0.0235	25) 5 YR	48.25	49.25	48.75	+0.25
6) 6 YR	5.1100	5.1130	5.1105	+0.0170	26) 6 YR	49.50	50.50	50.00	+0.30
7) 7 YR	5.1300	5.1350	5.1325	+0.0170	27) 7 YR	50.50	51.50	51.00	+0.40
8) 8 YR	5.1470	5.1530	5.1500	+0.0160	28) 8 YR	51.13	52.13	51.63	+0.33
9) 9 YR	5.1620	5.1680	5.1640	+0.0135	29) 9 YR	51.75	52.75	52.25	+0.45
10) 10 YR	5.1780	5.1830	5.1805	+0.0175	30) 10 YR	52.25	53.25	52.75	+0.50
11) 15 YR	5.2370	5.2430	5.2400	+0.0145	31) 15 YR	57.00	58.00	57.50	+0.50
12) 20 YR	5.2670	5.2720	5.2690	+0.0130	32) 20 YR	58.63	59.88	59.25	+0.15
13) 30 YR	5.2750	5.2840	5.2795	+0.0190	33) 30 YR	57.38	58.63	58.00	+0.20

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, 1 December 2021

FX NEWS

EUR/USD



Source: Bloomberg LP

In the first half of the week, the **EUR/USD exchange rate** depreciated due to favourable US economic data, high inflation, and many infected persons in Europe. (Austria was the first country in Western Europe to introduce full locking, and Germany was expected to follow.) Earlier in the week, the USD appreciated against the euro as Jerome Powell was re-elected Fed Chair, raising expectations of tightening monetary policy and US bond the return rose. The US President maintained continuity by re-electing Jerome Powell as Fed Chair by granting him a second term. This decision rewarded Powell for helping save the US economy from a pandemic giving him the task of protecting that order from the consumer prices jump. Encouraging economic data on the euro area and German production partly “helped” the euro recover in the middle of the week. Applications for US initial jobless claims, which fell to a level not seen since 1969 in previous weeks, were the reason for the further USD appreciation. On Thursday, the exchange rate rose slightly. At the same time, it recorded a sharp rise on Friday as the USD depreciated due to falling return on US government bonds, which occurred after the global risk aversion growth. Reports regarding the corona suggested that vaccines could be ineffective in the newly detected virus strain. Hence, investors assessed the Fed’s further monetary policy prospects on Friday.

EUR/GBP



Source: Bloomberg LP

Early this week, the **EUR/GBP exchange rate** did not change significantly. It rose on Tuesday after releasing encouraging data on euro area output and services. The next day, the sterling appreciated against the euro and the USD due to the improved British economy’s outlook after Brexit and continued cooperation with the EU over Northern Ireland. At the end of the week, the sterling depreciated due to uncertainty over fishing regulations between France and Britain, inconsistencies in implementation, and the Protocol on Northern Ireland. The Sterling also depreciated as investors worried about the UK’s economic recovery from the pandemic, lagging behind the leading economies. It had a more significant impact on sterling than expectations concerning the Bank of England’s interest rate increase. On Friday, the sterling depreciated due to increased demand for safe funds.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** was stable on Monday and then rose, as expectations of the Fed’s faster interest rate growth pace were raised. At the end of the week, the exchange rate dropped sharply. Namely, the yen appreciated as demand for safeguards increased amid concerns that a new coronavirus variant discovered in South Africa could expand globally. It could jeopardise economic recovery. (Some countries already stopped foreign nationals from entering the country and suspended flights from South Africa, while some were re-locked).

Table 1 - Exchange rates of the most important currencies

	22.11.2021¹	26.11.2021²	% Change
EUR/USD	1.1290	1.1317	0.24
EUR/GBP	0.83909	0.84872	1.15
EUR/JPY	128.71	128.35	-0.28
EUR/AUD	1.56010	1.58883	1.84
EUR/CHF	1.04786	1.04399	-0.37
USD/JPY	113.99	113.380	-0.54
GBP/USD	1.3451	1.33370	-0.85

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%	8 December 2021
Reserve Bank of Australia	Cash Rate Target	0.10%	7 December 2021

Table 3 - Eonia and Euribor

	22.11.2021¹	26.11.2021²	Change in basis points
Eonia	-0.488	-0.4880	0.00
Euribor 1W	-0.568	-0.569	-0.10
Euribor 1M	-0.558	-0.567	-0.90
Euribor 3M	-0.559	-0.572	-1.30
Euribor 6M	-0.528	-0.537	-0.90
Euribor 12M	-0.490	-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 German 10-year government bonds rose during the first two days of this reporting week. ECB Executive Board member Isabel Schnabel urged an end to the pandemic emergency programme, pointing to inflation risks. In the middle of the week, the return on these bonds was stable, declining slightly during Thursday, recording a sharp decline on the transition from Thursday to Friday, as the demand for safe funds increased. Demand for safe-haven has risen as a new coronavirus strain emerged in South Africa, raising concerns that it could spread globally and jeopardise economic recovery. At the end of the period, the return on 10-year German bonds was -0.33%.

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on US 10-year government bonds rose slightly during the first two days of this reporting period. Jerome Powell announced he would chair the Fed for the next four years. The return on these bonds stabilised in the middle of the week. The US bond market was closed on Thursday due to the holidays. Yet, the return on 10-year bonds recorded a sharp drop on Friday. The fall came after the appearance of the new coronavirus strain that could be vaccine-resistant and highly contagious. The return on these bonds stood at 1.47% at the end of the period.

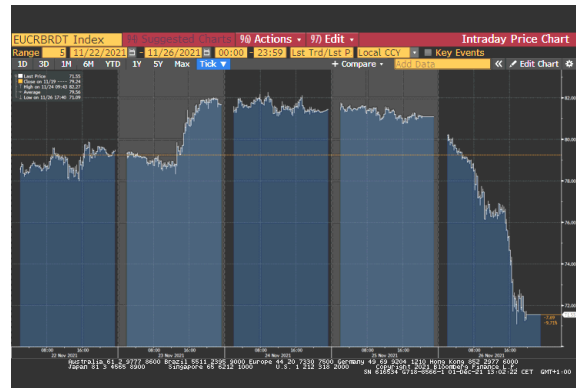
GOLD



Source: Bloomberg LP

On Monday, the gold price fell sharply after the announcement that the US President elected the current Fed President, Jerome Powell, to be the central bank's head in the next term. On Tuesday, it continued to weaken as USD appreciation against a basket of currencies reduced investor demand for this precious metal. Over the next two days, the gold price was stable to rise on Friday, as did the demand for safe funds after a new coronavirus strain appeared in South Africa.

OIL



Source: Bloomberg LP

On Monday, the oil price was stable to record a mild price jump on Tuesday. Over the next two days, the oil price was stable, only to fall sharply on Friday. Namely, it fell on Friday as the emergence of a new coronavirus strain caused concern about new locking measures, which would negatively affect the oil demand.

Table 4 - Economic indicators (22 - 26 November 2021)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Consumer Confidence An assessment of consumer confidence in terms of business conditions, employment and personal income. The consumer confidence index is related to personal consumption.	November	-5.5	-6.8	-4.8
	Markit UK Manufacturing PMI PMI surveys tracks opinion among managers at manufacturing, construction and/or services firms. The index is calculated from the survey results on production, orders, inventories, employment, prices, etc.	November	53.0	55.8	54.2
Germany	GfK Consumer Confidence This index measures the level of households' confidence in terms of economic performance.	December	-1.0	-1.6	0.9
	PMI Services Index that measures the overall activity of the service sector in the United Kingdom	November	51.5	53.4	52.4
France	Business Confidence Indicator This indicator measures the confidence among business leaders in France. It is based on filtered expectations regarding new orders and impressions of the general economic situation.	November	112	114	113
Great Britain	Markit UK Manufacturing PMI PMI surveys tracks opinion among managers at manufacturing, construction and/or services firms. The index is calculated from the survey results on production, orders, inventories, employment, prices, etc.	November	57.3	58.2	57.8
USA	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.	20 November K=1,000	260 K	199 K	268 K
	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.	November MoM%	-1.4%	0.8%	7.0%

Source: Bloomberg