

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	1.1909
T 3/16	1.2174	T 2/16	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	1.1909
W 3/ 8	1.1928	W 2/15	1.1904
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

(10 - 14 January 2022)

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.Mat's Bennett: U.S. Dollar, Fed Policy, Euro
U.S. Long-Term Growth 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, Produce

Daniel Broby, chief investment officer at Bankinvest

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

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

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

Change on day
IYC4 I48 <GO>
Change on Month
IYC6 I48 <GO>
For US Govt Yield Curve, type {IYC1 I2
For US swap Curve, type {IYC1 I52 <G

Podgorica, 19 January 2022

FX NEWS

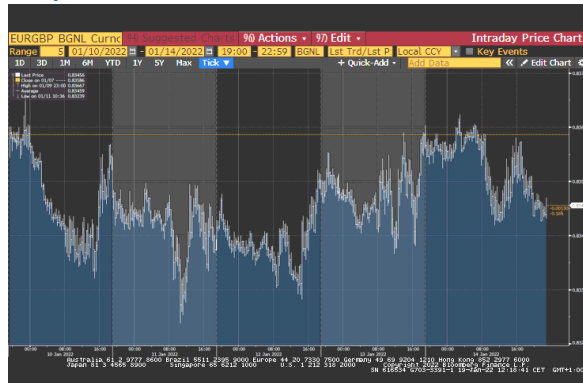
EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** was stable during the first days of this reporting period. In the middle of the week, it recorded a sharp appreciation after announcing that the US inflation rate had reached its peak since 1982. Namely, the annual inflation rate grew by 7.0% in December. The next day, the EUR/USD exchange rate saw a slight rise as new US economic data was expected. On Friday, this exchange rate depreciated as the growth of returns on US bonds stimulated the demand for the USD.

EUR/GBP



Source: Bloomberg LP

During the first two days of this week, the **EUR/GBP exchange rate** had a downward trend with fluctuations. It was driven by growing expectations that the Bank of England and the ECB monetary policies would diverge even more in the coming period. In addition, sterling was supported by the optimism that the Omicron strain's impact on the UK economy was low. For the rest of the week, this exchange rate appreciated after growing pressure in Great Britain on the Prime Minister to resign. However, the exchange rate appreciated slightly on Friday after announcing that the UK's economy reached the pre-pandemic level in November.

EUR/JPY



Source: Bloomberg LP

At the very beginning of this reporting period, the **EUR/JPY exchange rate** depreciated sharply as investor demand for safe investments increased. Over the next two days, the exchange rate recovered due to optimism that the Omicron coronavirus strain would not jeopardise the global economic recovery to a large extent. During the last two days of the reporting period, the exchange rate depreciated due to the growing geopolitical tensions between Russia and Ukraine, reflected by the increasing demand for safe funds.

Table 1 - Exchange rates of the most important currencies

	10.01.2022 ¹	14.01.2022 ²	% Change
EUR/USD	1.1360	1.1411	0.45
EUR/GBP	0.83586	0.83456	-0.16
EUR/JPY	131.29	130.35	-0.72
EUR/AUD	1.58214	1.58338	0.08
EUR/CHF	1.04376	1.04330	-0.04
USD/JPY	115.56	114.19	-1.19
GBP/USD	1.3588	1.3675	0.64

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%	3 February 2022
Federal Reserves	Federal Funds Target Rate	0.25%	26 January 2022
Bank of Japan	Overnight Call Rate	-0.10%	18 January 2022
Bank of England	Official Bank Rate	0.25%	3 February 2022
Swiss National Bank	Libor Target Rate	-0.75%	24 March 2022
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 – ESTR and Euribor

	10.01.2022. ¹	14.01.2022. ²	Change in basis points
ESTR	-0.580	-0.659	-7.90
Euribor 1W	-0.574	-0.574	0.00
Euribor 1M	-0.563	-0.565	-0.20
Euribor 3M	-0.576	-0.568	0.80
Euribor 6M	-0.536	-0.533	0.30
Euribor 12M	-0.493	-0.483	1.00

¹ Opening market value on Monday

² Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Last week, the return on 10-year German bonds fluctuated. In the first two days, it averaged about -0.04%. On Wednesday, the return weakened, awaiting an auction of 30-year government bonds in Germany (the return first fell to -0.08%, to recover by some 2 basis points at the end of the day). The next day, the return continued to drop as market participants' expectations of the ECB interest rate increase reduced. On Friday, the return recovered and followed the growing trend of the return on US government bonds (at the end of the week, the return stood at -0.03%).

US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The return on 10-year US government bonds had a downward trend during this reporting week except for Friday. The return on US 10-year government bonds fell due to a rather solid auction of 30-year US bonds amounting to 22 billion USD, and the US manufacturing prices rise of just 0.2% in December monthly. The Philadelphia Fed Chair said he believed that interest rates could increase three or four times this year. The Chicago Fed Chair believed that three increases were very likely this year and expressed his openness to more. On Friday, the return on US 10-year bonds rose by 8 basis points to 1.78% due to a Fed Chair's statement that three interest rate increases this year would be a "good basis".

GOLD



Source: Bloomberg LP

The gold price grew during the first three days, while it fluctuated in the last two days. It rose due to the USD depreciation and the return on US government bonds while investors were waiting for the US inflation data release. On Wednesday, the gold price rose as the US inflation rate data strengthened expectations related to the Fed's actions to curb price pressures. The next day, this precious metal's price weakened. Investors began to sell this metal after publishing somewhat weaker than expected data on producer prices in the USA. At the end of the week, the gold price declined as the USD appreciated against a basket of currencies, affecting the demand for gold to drop.

OIL



Source: Bloomberg LP

The oil price weakened slightly on Monday due to growing concern about the demand for this fuel due to the global growth of those infected with the Omicron coronavirus strain. For the rest of the week, oil prices rose after Fed Chair's comments in the Senate Banking Committee affected the US stock prices rise. Powell's remarks were a little milder than those of other Fed officials. He believed this central bank could curb inflation without damaging the US economy. It has become apparent that the Fed will do little to change the market consensus. Market participants have already considered the rate increase in March, which resulted in the USD depreciation and increased the commodities attractiveness denominated in USD. On Wednesday, the oil price continued to rise and move towards the 2-month maximum due to the reduction of stocks and the easing concerns about the potentially adverse impact of Omicron on this fuel's demand. US government data showed that oil inventories in the USA fell by 4.85 million barrels last week. The oil price rose on Friday due to rising Russia-Ukraine tensions.

Table 4 - Economic indicators (10 - 14 January 2022)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Unemployment Rate It shows the number of unemployed persons as a percentage of the total labour force.	November	7.20%	7.20%	7.20%
	Industrial output It measures the output of the energy sector, factories and mines. Growing industrial production points to increased production and economic expansion.	November MoM% (YoY%)	0.30% (0.80%)	2.30% (-1.50%)	1.10% (3.30%)
Italy	Unemployment Rate It shows the number of unemployed persons as a percentage of the total labour force.	November	9.30%	9.20%	9.40%
	Retail Sales This indicator measures changes in retail sales in Japan.	November MoM%	0.30%	-0.40	0.10%
USA	Consumer price index (CPI) It estimates the changes in the cost of living, by measuring changes in the price level of market basket of consumer goods and services purchased by an average household in Germany.	December MoM% (YoY%)	0.40% (7.00%)	0.50% (7.00%)	0.80% (6.80%)
	Initial Jobless Claims It measures the number of people who receive unemployment benefits.	January 8 K=1,000	200 K	230 K	207 K

Source: Bloomberg