



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 2/24	1.1878
T 3/16	1.2174	T 2/23	1.1871
W 3/15	1.2166	W 2/22	1.1864
T 3/14	1.2016	T 2/21	1.1914
F 3/13	1.1934	F 2/20	1.1946
M 3/12	1.1928	M 2/19	1.1939
T 3/11	1.1894	T 2/18	1.1909
F 3/10	1.1894	F 2/17	1.1909
T 3/9	1.1909	T 2/16	1.1881
W 3/8	1.1928	W 2/15	1.1884
T 3/7	1.1889	T 2/14	1.1897
M 3/6	1.1996	M 2/13	1.1902
W 3/5	1.1953	W 2/12	1.1902
T 3/4	1.2025	T 2/10	1.1919
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

BLOOMBERG NEWS AUDIO/VIDEO

Search Audio/Video 3/17/06 19:27:27

1)	2)	3)
Bankinvest's Broby: Softbank, Vodafone, L'Oréal, Body Shop	ICAP's Smith: U.S. European Bonds, Fed Rates and Strategy	Folmar's Bennett: U.S. Dollar, Fed Policy, Euro, Yen
Daniel Broby, chief investment officer at Bankinvest, talks about Softbank Corp.'s agreement to buy Vodafone Group Plc's Japanese mobile-phone unit and L'Oréal SA's purchase of Body Shop International Plc.	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 Gallmer: Stock Performance, Strategy, Products

10 Bloomberg TV Live 11 Bloomberg Radio Live 12 All Audio/Video Reports

13)	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 Mottelain: 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	☐

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

24)	2 YR	47.00	47.00	47.00	0.00
25)	5 YR	48.25	49.25	48.75	+0.25
26)	6 YR	49.50	50.50	50.00	+0.30
27)	7 YR	50.50	51.50	51.00	+0.40
28)	8 YR	51.13	52.13	51.63	+0.33
29)	9 YR	51.75	52.75	52.25	+0.45
30)	10 YR	52.25	53.25	52.75	+0.50
31)	15 YR	57.00	58.00	57.50	+0.50
32)	20 YR	58.63	59.88	59.25	+0.15
33)	30 YR	57.38	58.63	58.00	+0.20

Podgorica, 23 October 2024
 IYC4 I52 <GO>
 Change on Month
 IYC6 I52 <GO>

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

Weekly overview of short news

- The price of oil fell from \$77.74 to \$73.81 per barrel this week, as China's economic growth slowed and concerns about possible Israeli attacks on Iranian oil facilities eased.
- China's GDP grew by 4.6% in Q3 on an annual basis, which is less than in the previous quarter, when the growth equalled 4.7%.
- The price of gold rose this week from \$2,645.33 to \$2,721.49 an ounce, boosted by growing uncertainty over the upcoming U.S. presidential elections and rising tensions in the Middle East.
- The ECB reduced the reference interest rates by 25 bp each at this week's meeting. The rate on main refinancing operations now stands at 3.40%; deposit interest rate is 3.25%, marginal credit line rate is 3.65%.
- The ECB President, Christine Lagarde, stated at the press conference following the ECB meeting, that further moves will depend on the upcoming data.
- In September, the consumer price index in the euro area fell by 0.1% on a monthly basis, while the consumer price index grew by 1.7% on an annual level.

EUR/USD



The EUR/USD exchange rate had a downward trend for most of the week. The EUR/USD exchange rate weakened due to investors' aversion to risky investments, caused by the escalation of geopolitical tensions in the Middle East, as well as by the tightening of relations between China and Taiwan. Additionally, the euro was negatively affected by the decision of credit rating agency Fitch to reduce the outlook for France to "negative", and later Moody's, also to reduce the outlook for Belgium to "negative". The dollar continued to strengthen during the week as Donald Trump was in favour of proposals for a dramatic increase in tariffs on foreign imports (Mexico, China, Europe), as he promised to keep the dollar as the world's reserve currency. After the ECB's decision to cut interest rates by 25bp each, the euro continued to weaken, and stronger-than-expected data from the U.S. suppressed expectations of how quickly the U.S. rates could fall, especially if Donald Trump wins the presidential race. The EUR/USD exchange rate rose on Friday, recovering the losses that occurred after the ECB meeting on Thursday.

EUR/GBP



The EUR/GBP exchange rate depreciated in this reporting week. The decline on the first day of the week was caused by the strengthening of sterling in response to the release of mixed data from the British labour market. The data showed that earnings rose at the slowest rate in more than two years,

while the unemployment rate fell, paving the way for the Bank of England to cut interest rates at its November meeting, but at a measured pace. However, data released on Wednesday that showed the U.K. inflation rate fell to its lowest level since April 2021 reinforced expectations that interest rates could be cut more than once by the end of the year, weakening sterling, thus the exchange rate rose sharply that day. At the ECB meeting held a day later, interest rates were reduced by 25bp each, while expectations rose that the reduction would occur in December, so the euro weakened and the exchange rate continued trending downwards. The exchange rate fluctuated on Friday, but it did not change significantly at the daily level, despite the announcement that British retail sales grew more than expected.

EUR/JPY



The EUR/JPY exchange rate had an upward trend at the beginning of the week due to uncertainty regarding the increase in interest rates by the Bank of Japan. The exchange rate first fell in the rest of the week, fluctuating slightly until the end of the week - it moved around 162.52 on average. The yen was weaker against the dollar on Tuesday. In comments by the Fed officials, Minneapolis Fed President Neel Kashkari suggested that additional interest rate cuts are likely as the 2% target approaches. He noted that more modest cuts may be needed, due to economic data, inflation and labour market data. Christopher Waller, a member of the Federal Reserve Board of Governors, said the central bank should cut rates cautiously, at a "conscious and deliberate" pace. The exchange rate rose due to increased expectations among market participants that the Bank of Japan will not change the interest rate at the October meeting. The yen strengthened at the end of the week as the head of the currency market, Mimura, said that the market was being closely watched with a "high sense of urgency" as well as speculative changes in currency trends.

Table 1 - Exchange rates of the most important currencies

	14-Oct-2024 ¹	18-Oct-2024 ²	% Change
EUR/USD	1.0937	1.0867	-0.64
EUR/GBP	0.83701	0.83271	-0.51
EUR/JPY	163.12	162.48	-0.39
EUR/AUD	1.62023	1.62027	0.00
EUR/CHF	0.93761	0.93990	0.24
USD/JPY	149.13	149.53	0.27
GBP/USD	1.3067	1.3052	-0.11

Table 2 - Overview of the leading central banks' interest rates

Central Bank	Reference interest rate	Reference interest rate level	Next meeting
European Central Bank (ECB)	ECB main refinancing rate	3.40%	12-Dec-2024
Federal Reserves (Fed)	Federal Funds Target Rate	5.00%	7-Nov-2024
Bank of Japan (BoJ)	Overnight Call Rate	0.25%	31-Oct-2024
Bank of England (BoE)	Official Bank Rate	5.00%	7-Nov-2024
Swiss National Bank (SNB)	Libor Target Rate	1.00%	12-Dec-2024
Bank of Canada (BoC)	Target Overnight Rate	4.25%	23-Oct-2024
Reserve Bank of Australia (RBA)	Cash Rate Target	4.35%	5-Nov-2024

Table 3 - ESTR and Euribor

	14-Oct-2024 ¹	18-Oct-2024. ²	Change in basis points
ESTR	3.4130	3.4150	0.20
Euribor 1W	3.408	3.339	-6.90
Euribor 1M	3.245	3.147	-9.80
Euribor 3M	3.179	3.201	2.20
Euribor 6M	3.064	3.028	-3.60
Euribor 12M	2.822	2.709	-11.30

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic indicators (14 - 18 Oct 2024)

Country	Indicator	Period	Expected value	Current value	Previous value	
Euro area	<p>Consumer price index (CPI) This indicator estimates the changes in the cost of living, by measuring changes in the price level of the basket of consumer goods and services purchased by an average household. Therefore, it is a key measure of euro area inflation.</p> <p>CPI Core This index tracks price changes in the basket of consumer goods and services used by the average household, but excludes items subject to frequent price changes - food, energy, alcohol and cigarettes.</p> <p>Trade Balance SA Difference between exports and imports of products and services. This is one of the most represented components of the Balance of Payments, so it gives a valid insight into the pressures to which the European currency is exposed.</p>	September Final MoM%	-0.1%	-0.1%	-0.1%	
			YoY%	1.8%	1.7%	2.2%
		September Final YoY%	2.7%	2.7%	2.7%	
Germany	<p>ZEW Survey Expectations This survey measures expectations regarding the economic growth for the next six months. Experts are surveyed on whether they expect an improvement or deterioration, thus the difference between the number of positive and negative responses represents the indicator value.</p> <p>ZEW Survey Current Situation This indicator measures the current health of the economy. Experts are surveyed whether the current situation is improving, worsening or remaining unchanged, so the value of the indicator is obtained as the difference between the number of positive and negative responses. The higher value points to strengthening of the economy and a better business climate.</p>	September	10.0	13.1	3.6	
		September	-84.0	-86.9	-84.5	
Great Britain	<p>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.</p> <p>Weekly Earnings ex Bonus 3M This indicator tracks the weekly earnings of employees, excluding bonus payments.</p> <p>ILO Unemployment Rate 3Mths The unemployment rate measures the size of unemployment as a percentage of the labour force (total number of employed and unemployed).</p> <p>Retail Sales Inc Auto Fuel This indicator measures the volume of sales of personal and household goods.</p>	September MoM%	0.1%	0.0%	0.3%	
			YoY%	1.9%	1.7%	2.2%
		August YoY%	4.9%	4.9%	5.1%	
		August YoY%	4.1%	4.0%	4.1%	
		September MoM%	-0.4%	0.3%	1.0%	
			YoY%	3.2%	3.9%	2.3%
USA	<p>Empire Manufacturing This survey, conducted monthly by the New York Fed, tracks confidence among New York City manufacturers.</p>	October	3.6	-11.9	11.5	
Japan	<p>Exports Products and services produced in Japan, sold or pending for sale outside of Japan.</p> <p>Imports Japan's demand for foreign products.</p> <p>Natl CPI It assesses changes in the cost of living, by measuring changes in the prices of goods and services used by consumers.</p>	September YoY%	0.9%	-1.7%	5.5%	
		September YoY%	2.8%	2.1%	2.3%	
		September YoY%	2.5%	2.5%	3.0%	

EUROPEAN GOVERNMENT BONDS MARKET



The yield on German 10-year government bonds fell from 2.26% to 2.18% this week. In the first part of the week, the exchange rate weakened as market participants prepared for the regular ECB meeting, expecting that the central bank will reduce interest rates. At the meeting held on Thursday, the ECB, reduced interest rates, as expected, so that day there were no significant changes in the yields on these bonds. However, the yield weakened again on the last day of the week due to growing expectations that the ECB will cut interest rates once again by the end of the year.

U.S. GOVERNMENT BONDS MARKET



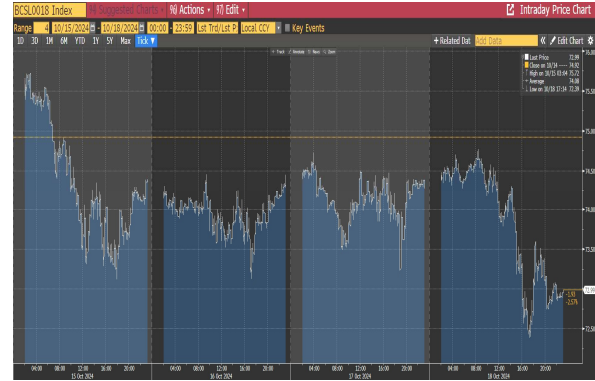
The yield on the 10-year U.S. Treasury bond fell from 4.101% to 4.084% this week. On the first day of the week, the U.S. bond market was closed due to a holiday, and the yield on these bonds recorded a decline during the next two days. The decline in yields occurred as the price of oil weakened during that period, which lessened concerns about inflation. Additionally, U.S. bond yields have followed the decline in the European bond market yields. There was a sharp jump in the trend of yields on U.S. bonds on Thursday, as better-than-expected data on the U.S. economy was released. Namely, it was reported that retail sales rose more than expected in the U.S. in September. The yield weakened again on the last day of the week following the drop in oil prices.

GOLD



The price of gold increased this reporting week, from \$2,645.33 to \$2,721.49 per ounce. The price fluctuated slightly at the very beginning of the week. The U.S. presidential elections are just three weeks away, therefore investors are more careful in assessing the risks associated with the U.S. elections, whereas polls are predicting an uncertain race. Traders spent the rest of the week looking into the comments from central bank officials. A member of the Fed's Board of Governors, Christopher Waller, said recent economic data signalled that policy makers may approach further interest rate cuts with less urgency than last month. Heightened tensions in the Middle East further increased the demand for safe assets.

OIL



Monday was the Columbus Day in the U.S. therefore the markets were closed. The oil price trended downwards the following day as the Prime Minister of Israel, Benjamin Netanyahu, told the White House administration that he would not attack nuclear or oil facilities in Iran, but only military strongholds. The drop in oil prices was encouraging news for central banks around the world, which are concerned about tensions in the Middle East and a potential rise in inflation. Potential Israeli strikes on Iran's oil infrastructure would threaten up to 4% of global oil supply. There were no major changes in the price of oil in mid-week and it averaged \$74.05 per barrel. Oil prices weakened again on Friday amid concerns over slowing economic growth in China and a drop in the U.S. supplies the previous week. The oil price was \$77.74 per barrel at the beginning of the week, being \$73.81 per barrel at the end of the week.

Disclaimer

The aforementioned overview of trends is based on external sources and does not contain any comments, assessments and views of the CBCG. CBCG cannot guarantee their accuracy and is not responsible for direct or indirect damage that may occur as a result of the use or inability to use information, materials or content, or for the consequences of decisions made based on them.