



**CENTRALNA BANKA  
CRNE GORE**

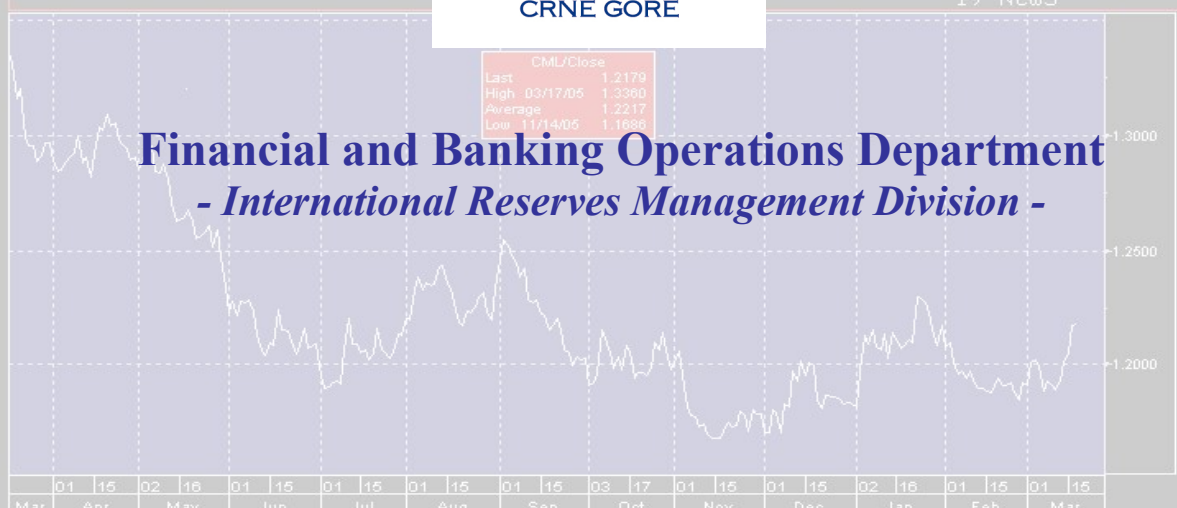
## Financial and Banking Operations Department - International Reserves Management Division -

# International Financial Market Report

(23 – 27 December 2024)

### Podgorica, 31 December 2024

EURUSD ↓ 1.2179  
At 19:38 Op 1.2174 HI 1.2179 Value 3/21/06  
Market Price  
Range 3/17/05 - 3/17/06  
Upper Chart: Market Price



CMU/Close  
Last 1.2179  
High 03/17/05 1.3360  
Average 1.2217  
Low 11/14/05 1.1886

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 2/24	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
T 3/12	1.1928	T 2/19	1.1909
W 3/11	1.1928	W 2/18	1.1881
T 3/10	1.1894	T 2/17	1.1884
F 3/9	1.1909	F 2/16	1.1884
T 3/8	1.1928	T 2/15	1.1884
W 3/7	1.1889	W 2/14	1.1897
T 3/6	1.1996	T 2/13	1.1902
F 3/5	1.1996	F 2/12	1.1902
T 3/4	1.2025	T 2/11	1.1919
W 3/3	1.2012	W 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

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

Change on day  
IYC4 I48<GO>  
Change on Month  
IYC6 I52<GO>

BLOOMBERG NEWS AUDIO/VIDEO

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

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  
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, Products

LIVE <GO> Events

ID	Event	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) Australia 61 2 8777 8800 Brazil 5511 3048 4500 Europe 44 20 7390 7500 Germany 49 69 920410  
Hong Kong 852 2397 6000 Japan 81 3 3201 3900 Singapore 65 6212 1000 U.S. 1 212 316 2000 Copyright 2006 Bloomberg L.P.  
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24) 2 YR 48.25 49.25 48.75 +.25  
25) 3 YR 49.50 50.50 50.00 +.30  
26) 4 YR 50.50 51.50 51.00 +.40  
27) 5 YR 51.13 52.13 51.63 +.33  
28) 6 YR 51.75 52.75 52.25 +.45  
29) 7 YR 52.25 53.25 52.75 +.50  
30) 8 YR 57.00 58.00 57.50 +.50  
31) 9 YR 58.63 59.88 59.25 +.15  
32) 10 YR 57.38 58.63 58.00 +.20

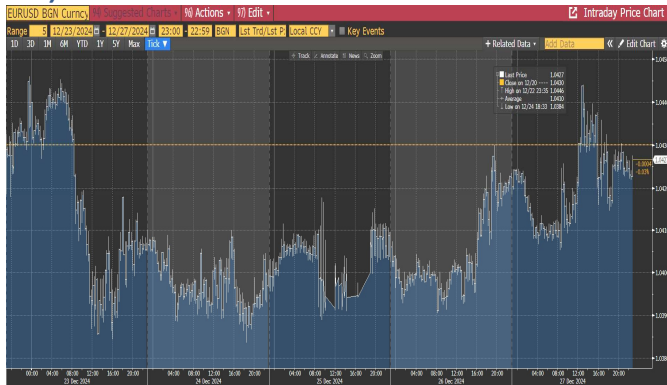
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For US Govt Yield Curve, type {IYC1 I2  
For US swap Curve, type {IYC1 I52 <G

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## Weekly overview of short news

- The price of gold rose from \$2,619.80 to \$2,621.63 per ounce this week.
- The price of oil rose from \$73.19 to \$74.31 due to a potential disruption in the delivery of oil over the Red Sea.
- In Q3 2024, Spain's GDP grew by 3.3% on an annual basis.

EUR/USD



The EUR/USD exchange rate was at the level of 1.0432 early week, being 1.0427 at the end of the week. The EUR/USD exchange rate fell on Monday following the ECB President's statement that the euro area is "very close" to achieving its medium-term inflation target of 2%. She added that an additional reduction in interest rates could be considered if inflation continues to fall, as it now stands at 2.2%. The exchange rate fluctuated slightly during the next two days and did not register major changes due to holidays (it averaged at 1.0400). The dollar strengthened on Thursday as a report showed that U.S. jobless claims fell more than expected, as well as due to rise in U.S. bond yields. Trading volume certainly remained weak until the end of the week due to holidays that took place in the previous days. A survey by the German Economic Institute (IW) revealed that German business associations see their current situation as worse than last year and are pessimistic about 2025. High costs of energy, labour and materials, along with excessive bureaucracy, pose a challenge for companies. The uncertain global situation and domestic political chaos are holding back exports and investments. Half of the associations expect job cuts, especially in sectors related to iron and steel, mechanical engineering and construction.

EUR/GBP



The EUR/GBP exchange rate fluctuated from 0.82752 to 0.83286 during the week, and it did not register a significant change during the week. The exchange rate had a downward trend on Monday, but the expectations of a more lenient policy of the Bank of England in the next year and the news that the British economy failed to achieve growth in Q3 2024 compared to the previous one, caused sterling to weaken and the exchange rate to rise above 0.8300 at the end of the same day. Expectations of a further reduction in the ECB interest rates led to the weakening of the euro already on Thursday, thus the exchange rate once again went below the mentioned level. The markets were closed for Christmas on Wednesday. The volume of trade was reduced by the end of the week. The exchange rate had an upward trend throughout the day on Thursday, as the traders were focused on the weaknesses of the British economy. However, the exchange rate weakened on Friday, as expectations of a faster rate cut by the ECB compared to the Bank of England prevailed in the market.

EUR/JPY



The EUR/JPY exchange rate recorded weekly appreciation. The EUR/JPY exchange rate fluctuated slightly on Monday. Japan's finance minister reiterated concerns about the excessive change occurring in the trend of the yen against other currencies and emphasized the importance of currency stability. The volume of trade was reduced due to the holidays in the mid-week. On Thursday, the Minister of Finance expressed the need to stop unilateral bets on the currency and added that the government will take appropriate steps against excessive trends in the currency market. The EUR/JPY exchange rate had a downward trend early Friday, as the yen strengthened due to market expectations that the Bank of Japan will raise interest rates next year, and fluctuated throughout the rest of the day.

**Table 1 - Exchange rates of the most important currencies**

	<b>23-Dec-2024<sup>1</sup></b>	<b>27-Dec-2024<sup>2</sup></b>	<b>% Change</b>
EUR/USD	1.0430	1.0426	-0.04
EUR/GBP	0.82970	0.82901	-0.08
EUR/JPY	163.12	164.59	0.90
EUR/AUD	1.66827	1.67710	0.53
EUR/CHF	0.93118	0.94028	0.98
USD/JPY	156.31	157.87	1.00
GBP/USD	1.2570	1.2578	0.06

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

<b>Central Bank</b>	<b>Reference interest rate</b>	<b>Reference interest rate level</b>	<b>Next meeting</b>
European Central Bank (ECB)	ECB main refinancing rate	3.15%	30-Jan-2025
Federal Reserves (Fed)	Federal Funds Target Rate	4.50%	29-Jan-2025
Bank of Japan (BoJ)	Overnight Call Rate	0.25%	24-Jan-2025
Bank of England (BoE)	Official Bank Rate	4.75%	6-Feb-2025
Swiss National Bank (SNB)	Libor Target Rate	0.50%	20-Mar-2025
Bank of Canada (BoC)	Target Overnight Rate	3.25%	29-Jan-2025
Reserve Bank of Australia (RBA)	Cash Rate Target	4.35%	18-Feb-2025

**Table 3 - ESTR and Euribor**

	<b>23-Dec-2024<sup>1</sup></b>	<b>27-Dec-2024.<sup>2</sup></b>	<b>Change in basis points</b>
ESTR	2.9160	2.9160	0.0
Euribor 1W	2.862	2.935	7.3
Euribor 1M	2.801	2.863	6.2
Euribor 3M	2.772	2.683	-8.9
Euribor 6M	2.624	2.577	-4.7
Euribor 12M	2.484	2.465	-1.9

<sup>1</sup> Opening market value on Monday

<sup>2</sup> Closing market value on Friday

**Table 4 - Economic indicators (23 - 27 December 2024)**

Country	Indicator	Period	Expected value	Current value	Previous value
Germany	<b>Import Price Index</b> This index tracks changes in the prices of products imported into the country over a period of one month.	November			
		MoM%	0.6%	0.9%	0.6%
		YoY%	0.3%	0.6%	-0.8%
Spain	<b>Gross domestic product (GDP)</b> Measures the final market value of all products and services produced within the country. GDP is the most commonly used indicator of economic activity. <b>Retail Sales SA</b> This indicator measures the volume of sales of goods for personal and household spending.	Q3 final data			
		QoQ%	0.8%	0.8%	0.8%
		YoY%	3.4%	3.3%	3.3%
		November			
		YoY%	3.0%	1.0%	3.4%
Great Britain	<b>Gross domestic product (GDP)</b> Measures the final market value of all products and services produced within the country. GDP is the most commonly used indicator of economic activity. <b>Exports</b> Products and services produced in country, sold or pending for sale outside of the country. <b>Imports</b> Demand for foreign products.	Q3 final data			
		QoQ%	0.1%	0.0%	0.1%
		YoY%	1.0%	0.9%	1.0%
		Q3 final data			
		QoQ%	-0.2%	-0.5%	-0.2%
		Q3 final data			
		QoQ%	-1.5%	-2.5%	-1.5%
USA	<b>New Home Sales</b> The indicator shows the change in the number of new construction objects during the reference period. <b>Conference Board Consumer Confidence</b> This indicator tracks confidence among households or consumers. The results are obtained by conducting surveys on a random sample of households. <b>Initial Jobless Claims</b> It measures the number of people filing for unemployment benefits for the first time. <b>Trade Balance</b> The difference between exports and imports of goods and services.	November			
		MoM%	9.7%	5.9%	-14.8%
		December			
			113.2	104.7	112.8
		December 21			
		k=thousand	223K	219 K	220K
		November			
		b=bill.	-\$101.2b	-\$102.9b	-\$98.3b
Japan	<b>Tokyo CPI</b> Measures the prices that consumers pay for a market basket of products and services. <b>Tokyo CPI Ex-Fresh Food</b> Measures the prices that consumers pay for a market basket of products and services, excluding fresh food products. <b>Retail Sales</b> This indicator measures the volume of sales of new or used goods for personal and household spending. <b>Industrial production</b> It measures the output in mining and quarrying, manufacturing and utilities (electricity, gas and water supply).	December			
		YoY%	2.9%	3.0%	2.5%
		December			
		YoY%	2.5%	2.4%	2.2%
		November			
		MoM%	0.5%	1.8%	-0.2%
		YoY%	1.5%	2.8%	1.3%
		November			
	Preliminary				
	MoM%	-3.5%	-2.3%	2.8%	
	YoY%	-3.2%	-2.8%	1.4%	

## EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds recorded a growth in this reporting week. The yield increased from 2.28% to 2.39%. At the beginning of this period, the yield did not change much, and the markets were closed for holidays the following two days. The yields on these bonds recorded a higher increase in the last day of the week, following the trend in the American bonds market.

## U.S. GOVERNMENT BONDS MARKET



During this reporting week, the yields on 10-year U.S. government bonds increased from 4.52% to 4.62%. The yields rose earlier this week as investors expect the Fed to cut interest rates at a slower pace next year and as they expect the U.S. fiscal situation to worsen under the new administration of Donald Trump. The trend of rising yields continued the next day, which was interrupted in mid-week as the markets were closed for the holidays. After an initial rise on Thursday, the yield made a sharp decline, as a successful auction of 44 billion dollars of 7-year bonds was held in the USA. The yield recorded growth again on the last day of the week due to expectations regarding a slower pace at which the Fed will reduce interest rates in the coming year.

## GOLD



The price of gold fluctuated in this reporting week and at the end of the week it stood approximately at the same level as at the beginning of the week (starting the week at \$2,619.80, ending it at \$2,621.63 per ounce). At the very beginning of the week, the price fell due to the strengthening of the dollar. The volume of trade was reduced in the rest of the week as the holidays approached, and the market was closed on Wednesday. Trading volume was also weak as the market opened on Thursday, with investors looking into the mixed data from the U.S. labour market as well as the outlook for the Fed's next actions. The price of gold fell on the last day of the week due to the increase in the yield on U.S. bonds and the strengthening of the dollar exchange rate.

## OIL



The oil price was \$73.19 per barrel early week, being \$74.31 per barrel at the end of the week. Oil price decreased on Monday, although it had a mixed trend throughout the day, as trading volume was reduced ahead of the holiday and the dollar strengthened, while traders weighed the U.S. President's threat to re-establish control of the Panama Canal. The price rose the next day as data from the American Petroleum Institute showed that oil stocks in the U.S. fell by 3.2 million barrels last week. The market was closed on Wednesday for the holiday, whereas the price fluctuated slightly after opening on Thursday. The price rose on Friday as Israeli strikes on Yemen's Houthi rebels raised concerns about more potential instability in the oil-rich region. Investors were particularly concerned about potential disruptions in the delivery of oil over the Red Sea.

### 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.