



CENTRALNA BANKA
CRNE GORE



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
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	1.1881
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
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

- 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 Gallmer: Stock Performance, Strategy, Products

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

(10 – 14 February 2025)

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

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	☐

Podgorica, 19 February 2025

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

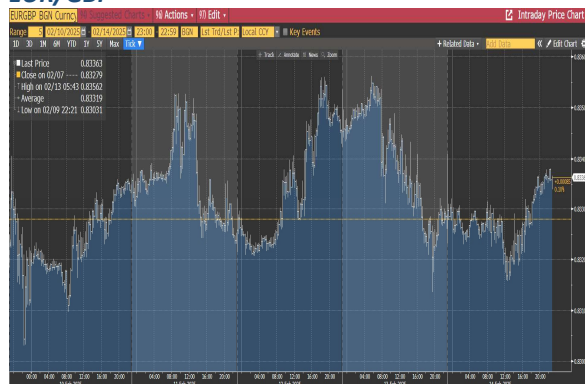
- The price of gold rose this week from \$2,855.57 to \$2,882.53 per ounce, as a result of news on President Trump's new tariffs.
- The price of oil fell from \$75.52 to \$74.89 per barrel, due to expectations that a peace agreement could be reached between Russia and Ukraine following the news that the presidents of the USA and Russia will meet in Saudi Arabia.
- The U.S. inflation rate rose from 2.9% to 3.0% in January, despite expectations that it would remain at December's level.
- At the beginning of the week, the U.S. President signed the introduction of tariffs of 25% on all American steel and aluminium imports as of 12 March. This measure includes all U.S. trading partners, and there is speculation about the possible exemption of Australia. The President of the European Commission, Ursula von der Leyen, announced that unjustified tariffs will not go unanswered, but that the E.U. will work to protect its economic interests.
- Trump has threatened the BRICS countries with 100% tariffs if they decide to establish their own currency, and has presented a plan for reciprocal tariffs aimed at levelling the playing field between the U.S. and the trading partners, which will not take effect for several weeks or months.

EUR/USD



The EUR/USD exchange rate recorded growth this week. The exchange rate did not record a major change only on the first day of the reporting period, while it grew almost constantly in the rest of the week. The dollar weakened in the first half of the week due to comments by the Fed President that if inflation falls faster than expected or the labour market unexpectedly weakens, the central bank will loosen monetary policy accordingly. On the other hand, the euro was supported in mid-week by the news that Washington will start negotiations with Russia regarding the end of the war in Ukraine. The U.S. President announced that both the Russian and Ukrainian presidents expressed their desire to achieve peace in separate phone conversations. Data on inflation in the U.S. caused the dollar to weaken on Thursday. In January, the U.S. producer price index rose by 0.3% on a monthly basis, in line with market expectations, but less than in the previous month, by 0.4%. Data on GDP of the euro area influenced the exchange rate to increase further on the last day of the week. Namely, it was announced on that day that in Q4 2024 it grew by 0.1% compared to previous quarter.

EUR/GBP



The EUR/GBP exchange rate rose early in the week as sterling weakened as a result of concerns about the impact of new trade tariffs. The exchange rate fell on Tuesday afternoon. Bank of England member Catherine Mann said her unexpected rate cut vote did not mean she wanted a series of rate cuts or would vote the same at the next meeting. She assessed that there is enough evidence of weak consumer demand, the risk of deterioration in the labour market and the weakening of the ability of companies to raise prices, which led her to abandon her earlier opposition to lowering interest rates. The exchange rate rose on Wednesday as it was supported by the statement of the U.S. President that he had spoken with the President of Russia and that they had agreed to start negotiations on ending the war in Ukraine. The exchange rate weakened the next day, due to better data on the GDP of Great Britain and a recovered risk appetite, as the markets were "comforted" by the news that the imposition of reciprocal U.S. tariffs could be delayed. The EUR/GBP exchange rate had an upward trend in the second part of the day on Friday, as the euro strengthened due to data on the GDP of the euro area.

EUR/JPY



The EUR/JPY exchange rate recorded growth in this reporting week. The growth of the exchange rate was pronounced in the first half of the week, while the exchange rate stabilized around the level of around 159.80 in the remaining two days. The exchange rate strengthened in the first half of the week as concerns arose that Japan could also be included in Trump's tariffs. To that, the Minister of Economy of Japan said that the authorities of that country will adequately respond to the U.S. President's tariffs.

Table 1 - Exchange rates of the most important currencies

	10-Feb-2025 ¹	14-Feb-2025 ²	% Change
EUR/USD	1.0328	1.0492	1.59
EUR/GBP	0.83279	0.83361	0.10
EUR/JPY	156.38	159.83	2.21
EUR/AUD	1.64669	1.65182	0.31
EUR/CHF	0.93978	0.94387	0.44
USD/JPY	151.41	152.31	0.59
GBP/USD	1.2402	1.2586	1.48

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	2.90%	6-Mar-2025
Federal Reserves (Fed)	Federal Funds Target Rate	4.50%	19-Mar-2025
Bank of Japan (BoJ)	Overnight Call Rate	0.50%	19-Mar-2025
Bank of England (BoE)	Official Bank Rate	4.50%	20-Mar-2025
Swiss National Bank (SNB)	Libor Target Rate	0.50%	20-Mar-2025
Bank of Canada (BoC)	Target Overnight Rate	3.00%	12-Mar-2025
Reserve Bank of Australia (RBA)	Cash Rate Target	4.35%	18-Feb-2025

Table 3 - ESTR and Euribor

	10-Feb-2025 ¹	14-Feb-2025. ²	Change in basis points
ESTR	2.6650	2.666	0.10
Euribor 1W	2.694	2.613	-8.10
Euribor 1M	2.646	2.604	-4.20
Euribor 3M	2.527	2.522	-0.50
Euribor 6M	2.468	2.514	4.60
Euribor 12M	2.384	2.438	5.40

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic indicators (10 - 14 February 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	<p>Sentix Investor Confidence Sentix Investor Confidence is a monthly survey that shows the market's opinion on the current economic situation and expectations for the next semester. Values above 0.0 indicates to optimism, below to pessimism.</p>	February	-16.5	-12.7	-17.7
	<p>GDP Seasonal Adjustments (GDP SA) One of the fundamental macroeconomic indicators, which represents the calculated value in the market prices of products and services produced within the country, but excludes the income of citizens and corporations working abroad. The GDP calculation uses the following four components: consumption, investments, government expenditure, and net exports.</p>	<p>Q4 Preliminary data</p> <p>QoQ% YoY%</p>	<p>0.0% 0.9%</p>	<p>0.1% 0.9%</p>	<p>0.0% 0.9%</p>
Germany	<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>January Final data</p> <p>MoM% YoY%</p>	<p>-0.2% 2.3%</p>	<p>-0.2% 2.3%</p>	<p>-0.2% 2.3%</p>
Great Britain	<p>Gross domestic product (GDP) It measures the value of products and services produced inside the country. GDP is the most comprehensive measure of economic output and provides a key insight into an economy's main drivers.</p>	<p>Q4 Preliminary data</p> <p>QoQ% YoY%</p>	<p>-0.1% 1.1%</p>	<p>0.1% 1.4%</p>	<p>0.0% 0.9%</p>
USA	<p>Initial Jobless Claims It measures the number of people filing for unemployment benefits for the first time.</p>	8 February k=thousand	216 K	213 K	219 K
	<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>January MoM% YoY%</p>	<p>0.3% 2.9%</p>	<p>0.5% 3.0%</p>	<p>0.4% 2.9%</p>
Japan	<p>Producer Price Index (PPI) The index measures the average price change that domestic producers receive for their production.</p>	<p>January MoM% YoY%</p>	<p>0.3% 4.0%</p>	<p>0.3% 4.2%</p>	<p>0.3% 3.8%</p>

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German bonds rose from 2.38% to 2.43% this week. The yield was mostly weak on Monday. The ECB President said in the European Parliament that day that she expects consumer prices to reach the ECB's target this year, but warned of a challenging economic environment in light of trade relations. For the next two days, the yield had an upward trend. Uncertainty regarding the tariffs imposed by President Trump, but also the increasingly certain energy crisis in Europe due to the reduction of natural gas supplies and high prices, are the causes of the increase in yields. The price of natural gas has reached its highest level in the last two years, which increases the concern of monetary policymakers about the potential impact on the economy. Following the release of the U.S. inflation data, expectations regarding the reduction of interest rates weakened not only in the U.S., but also in Europe. Once Germany requested an exemption from the E.U. targets for filling gas storage this year, the price of gas fell, which led to a drop in bond yields, thus the 10-year German yield ended the reporting week at 2.43%.

U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. bonds fell by about 1bp this week, to 4.67%. This yield did not change significantly on Monday, as investors awaited the presentation of Fed Governor Jerome Powell and the U.S. inflation data. The yield rose the next day, as Powell, in a prepared speech in the Senate, stated that the central bank is not in a hurry to reduce interest rates, but also said that the Fed is ready to reduce the rate if inflation falls faster than expected or conditions on the labour market worsen. Yields rose sharply on Wednesday as data on U.S. January inflation boosted bets that the Fed will slow its easing of monetary policy this year. However, the data on production prices indicated a potential easing of price pressures the following day, therefore the yield fell. Although PPI exceeded expectations in January (3.5% versus 3.3%), some of the components included in the PCE index (the Fed's preferred measure of inflation) were below expectations. Yields also weakened as President Trump presented a plan for reciprocal tariffs aimed at levelling the playing field between the U.S. and trading partners, but added that they would not take effect for several weeks or months. Yields also fell on Friday, as disappointing U.S. retail sales data revised upward expectations for a Fed rate cut this year. Retail sales fell 0.9% in January, whereas a 0.2% drop was expected.

GOLD



The price of gold increased this week from \$2,855.57 to \$2,882.53 per ounce. The price of gold rose on the first day of this week as the U.S. President announced tariffs on aluminium and steel. The price of gold fell the next day as the Fed President announced that the U.S. monetary authorities are in no rush to cut interest rates. The price of gold starts to rise again in mid-week, this time as the dollar weakened against most currencies, which made investing in gold more attractive to foreign investors. The price of gold continued to rise the following day once the U.S. President ordered reciprocal tariffs against some countries, which increased uncertainty about global trade and the economy. The price of gold experienced a sharp decline on the last day of the week as the market awaited a potential meeting between the USA and Russia in Saudi Arabia and a possible end to the conflict in Ukraine.

OIL



The price of oil fell from \$75.52 to \$74.89 per barrel this week. The price of oil rose during the first two days of this week, reaching a maximum of \$77.62 per barrel on Tuesday. The increase in the price of oil occurred due to growing concerns regarding the supply of this energy generating products, as American sanctions affect Russia and Iran. The price of oil fell in mid-week following the statement of the U.S. President that he and the President of Russia agreed to start talks on ending the war in Ukraine. The drop in the price of oil continued until the mid-day on Thursday, when the minimum price of \$74.10 was recorded for this period, after which a slight increase in the price began, which was interrupted in the second half of the day on Friday, as the U.S. President plans to meet with the President of Russia and include the President of Ukraine in peace negotiations.

*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.