



**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	1.1911
W 3/15	1.2174	W 2/22	1.1911
T 3/14	1.2016	T 2/21	1.1914
W 3/13	1.1934	W 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

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.

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

2) Australia	61.2	5777	8800	
3) Brazil	5511	3048	4500	
4) Europe	44	20	7390	7500
5) Germany	49	69	920	110
6) Hong Kong	652	2977	6000	
7) Japan	81	3	3201	3900
8) Singapore	65	6212	1000	U.S.
9) U.S.	1	212	316	2000

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, 26 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 from \$2,882.75 to \$2,936.05 per ounce in this reporting week as a result of geopolitical and trade tensions.
- The price of oil fell this week from \$75.24 to \$73.84 per barrel mainly due to a possible increase in oil exports from Iraq.
- According to preliminary data, the GDP of the euro area (adjusted for seasonal fluctuations) increased by 0.1% in Q4 2024 in relation to the previous quarter.
- The Reserve Bank of Australia unexpectedly cut interest rates by 25bp to 4.1%, but remained cautious about the prospect of further policy easing.
- Fed officials expressed their willingness in January to keep interest rates at a stable level due to stubbornly persistent inflation and uncertain economic policy, the minutes of the Fed held on 28-29 January showed. Fed leaders are concerned about higher inflation and the possible impact of Trump's policies, especially tariffs, on their efforts to bring inflation down to target levels. Officials have noted that it may be appropriate to consider pausing or slowing down balance sheet reductions until the U.S. debt limit is resolved to be raised or suspended, as this could significantly affect the amount of money available to banks.

## FX NEWS

### EUR/USD



The EUR/USD exchange rate fell during the first three days of this week. The fall occurred at the beginning of the week when the Fed President said that recent economic data supports keeping interest rates at the current level and assessed that the economy is stable and the labour market is in an "excellent position". Also, the San Francisco Fed President said that the monetary policy should remain restrictive until progress is seen in slowing down inflation, which also influenced the strengthening of the dollar in relation to the euro. A sharp growth in exchange rate trend occurred on Thursday. Two things led to this growth - the statement of the U.S. President that a trade agreement with China is possible and polls that showed that the conservative coalition is expected to win the parliamentary elections in Germany. The exchange rate fell again during the last day of the week, but this time as the weaker-than-expected PMI data on France was released.

### EUR/GBP



The EUR/GBP exchange rate fell during the first two days of the week, but remained relatively

stable during the rest of the week. At the beginning of the week, the fact that consumer confidence in Great Britain increased in February from 43.6 to 45.5 influenced the British currency to rise against the euro. The following day, the new data on the drop in the unemployment rate in December from 4.5% to 4.4% further influenced the strengthening of the British currency. The exchange rate was stable, trending round 0.8230 in the rest of the week.

### EUR/JPY



The EUR/GBP exchange rate appreciated slightly in this reporting week. Positive data on the Japanese economy caused the yen to rise against the euro at the beginning of the week. Namely, Japan's GDP in Q4 2024 grew more than expected, by 0.7% compared to the previous quarter of the same year, while the expected growth was 0.3%. During the rest of the week, statements by the Bank of Japan members indicating that this central bank, unlike the ECB, will increase interest rates in the upcoming period, caused the exchange rate to continue to weaken. At the very end of the week, it was confirmed that the inflation rate in Japan has risen to 4%, and this favours the Bank of Japan to continue raising interest rates.

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

	17-Feb-2025 <sup>1</sup>	21-Feb-2025 <sup>2</sup>	% Change
EUR/USD	1.0492	1.0458	-0.32
EUR/GBP	0.83361	0.82789	-0.69
EUR/JPY	159.83	156.15	-2.30
EUR/AUD	1.65182	1.64558	-0.38
EUR/CHF	0.94387	0.93960	-0.45
USD/JPY	152.31	149.27	-2.00
GBP/USD	1.2586	1.2632	0.37

**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	4.10%	1-Apr-2025

**Table 3 - ESTR and Euribor**

	17-Feb-2025 <sup>1</sup>	21-Feb-2025. <sup>2</sup>	Change in basis points
ESTR	2.666	2.667	0.1
Euribor 1W	2.613	2.641	2.8
Euribor 1M	2.604	2.595	-0.9
Euribor 3M	2.522	2.521	-0.1
Euribor 6M	2.514	2.447	-6.7
Euribor 12M	2.438	2.463	2.5

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

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

**Table 4 - Economic indicators (17 - 21 February 2025)**

Country	Indicator	Period	Expected value	Current value	Previous value
Germany	<b>Producer Price Index (PPI)</b> It measures the price changes received by domestic producers for their output, whether on domestic or foreign market.	January MoM% YoY%	0.6% 1.2%	-0.1% 0.5%	-0.1% 0.8%
	<b>ZEW Survey Expectations</b> 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.	February	20.0	26.0	10.3
	<b>HCOB Composite PMI</b> The index is based on surveys of over 300 executives in production and service companies in the private sector. Each response is weighted according to the size of the company and its contribution to total production or service production.	February Preliminary data	50.8	51.0	50.5
France	<b>Consumer price index (CPI)</b> 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.	January Final data MoM% YoY%	-0.1% 1.4%	0.2% 1.7%	0.2% 1.7%
	<b>HCOB Composite PMI</b> The index is based on surveys of over 300 executives in production and service companies in the private sector. Each response is weighted according to the size of the company and its contribution to total production or service production.	February Preliminary data	48.0	44.5	47.6
USA	<b>Initial Jobless Claims</b> It measures the number of people filing for unemployment benefits for the first time.	15 February k=thousand	215 K	219 K	213 K
Japan	<b>Gross domestic product (GDP)</b> 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.	Q4 Preliminary data QoQ%	0.3%	0.7%	0.3%

## EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds fell from 2.48% to 2.46% this week. The yield generally weakened slightly at the beginning of the week. Traders prepared for the possibility of a joint sale of E.U. bonds to strengthen the region's defences after U.S. officials said there was a restriction concerning their support. The yield also weakened as traders expected the ECB to cut interest rates in March. The yield on 10-year German government bonds rose on Wednesday as the market lowered expectations for the ECB interest rate cut after policymaker Isabelle Schnabel said the talks that would lead to a pause or end to the monetary policy easing cycle were nearing. In the last two days, yields weakened again as weaker-than-expected PMI data from France and the U.S. were released, which increased doubts about the economic outlook and also increased expectations that the ECB will continue its policy of interest rate cuts.

## U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. bonds fell by about 5bp this week, from 4.48% to 4.43%. The U.S. market was closed on Monday for a holiday. The yield increased after the holidays as a result of the issuance of a large amount of corporate bonds (30 billion dollars), the rise in oil prices, and the auction of 20-year government bonds was also announced, and the Empire State index for production rose in February from -12.6 to 5.7. The yield weakened from Wednesday until the end of the week, due to the minutes from the Fed latest meeting, the comments of the Secretary of the U.S. Treasury, Scott Bessent, that the administration has no plans to increase the sale of long-term bonds, as well as the announcement of weaker than expected economic data from the USA, which increased the concern that the economy is entering a period of slowing growth and which stimulated the demand for safe funds.

## GOLD



The price of gold increased this week - from \$2,882.75 to \$2,936.05 per ounce. The price of gold recorded a slight increase on Monday as trading volume was reduced due to the holiday in the U.S. The demand for gold in the first part of the week generally increased due to tensions between the USA and the EU. Bloomberg reported that the U.S. administration has asked European countries to state what security guarantees they are willing to provide to Ukraine as part of peace. The U.S. administration is backing away from providing security guarantees to Ukraine and wants Europe to take the lead, saying the U.S. has other priorities, such as border security. This action followed Trump's push to start talks with the Russian president. The price of this precious metal fluctuated in the second part of the day, and it grew due to the still present geopolitical and trade tensions. The Minutes from the latest Fed meeting were released during this period, which showed that monetary policy makers are worried about inflation due to Trump's trade policies, therefore this also affected the preference of investors towards this metal.

## OIL



The price of oil fell from \$75.24 to \$73.84 per barrel this week. The market was closed on Monday due to a holiday in the USA, and once the markets were opened on Friday, it had a slightly volatile trend, averaging around \$75.73 per barrel. The intraday price rose on Tuesday as OPEC+ considered abandoning a series of monthly production increases that were supposed to begin in April, and as Ukrainian drones attacked an oil station in Russia, cutting supplies from Kazakhstan. This pipeline is responsible for about 1% of the global oil supply. The price of this energy generating product recorded a sharp drop at the very end of the week due to the news of a possible increase in oil exports from Iraq.

*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.