



**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.

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

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

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Podgorica, 5 March 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 fell from an initial \$2,938.65 to \$2,857.83 an ounce this week as investors sold the precious metal to make profits.
- The price of oil fell from \$73.80 to \$73.27 per barrel this week due to the uncertain foreign policy led by the U.S. President, as well as the possibility that tariffs on imports from China and Canada could reduce global demand for oil.
- The final data on inflation in the euro area showed that the inflation rate in January fell by 0.3% on a monthly basis, but it grew by 2.5% on an annual basis.

FX NEWS
EUR/USD



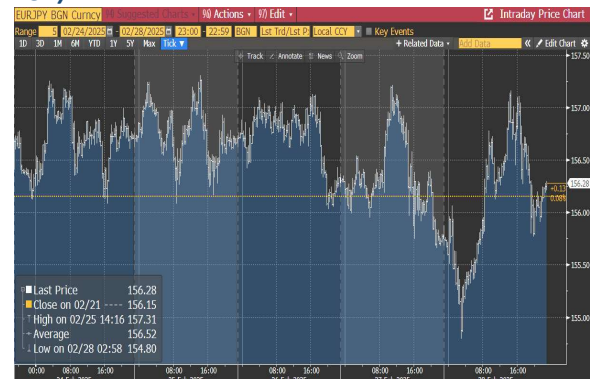
The EUR/USD exchange rate fluctuated slightly on Monday, but rose on Tuesday due to the comments of Isabelle Schnabel, who suggested a cautious approach to reducing the interest rate, and added that the neutral interest rate may be at a higher level than earlier estimates indicated. The exchange rate weakened on Wednesday due to Trump's vague promises to introduce tariffs to Europe, as well as delays in tariffs planned for Canada and Mexico, which caused uncertainty in the market. The U.S. President Trump said that the tariffs on Canada and Mexico will come into effect on 2 April, and the White House later confirmed the 4 March deadline, adding that Trump has not yet decided on the possible extension. The euro weakened as news was awaited about progress in the efforts of the German conservatives to form a coalition government after winning the elections. The exchange rate weakened the last two days of the week, mainly due to the announcements of the USA that tariffs will be introduced on 4 March on Canada and Mexico, as well as an additional 10% on imports from China.

EUR/GBP



The EUR/GBP exchange rate appreciated slightly on the first two days of the week. The exchange rate rose as the interest rate outlook for the Bank of England complicated. Namely, Ofgem (The Office of Gas and Electricity Markets in Great Britain) has announced a 6.4% increase in energy prices as of April. This could boost inflation in the U.K., which in turn could lower expectations that the Bank of England will cut interest rates this year. The exchange rate weakened on Wednesday and Thursday. The British government has said it will increase military spending. Rachel Reeves aims to improve trade with the U.S., despite tariff threats. She emphasized the importance of a stable peace agreement to end the Ukrainian-Russian conflict for the global economic benefit. The sterling reduced earlier losses on Friday after the BoE's Deputy Governor, Dave Ramsden, said policymakers would pay "close attention" to cutting interest rates amid some signs of persistent inflation.

EUR/JPY



The EUR/JPY exchange rate fluctuated slightly in the first half of the week and averaged at 156.63. The yen weakened due to concerns that U.S. tariffs could delay a potential interest rate increase in Japan, and strengthened as officials plan tougher controls on China's semiconductor industry. The exchange rate fell on Thursday towards the end of the day as the Bank of Japan was expected to raise interest rates, fuelling demand for safe assets, and later on President Trump's announcement that he would impose tariffs. The EUR/JPY exchange rate recorded growth on Friday, due to reduced demand for safe assets.

Table 1 - Exchange rates of the most important currencies

	24-Feb-2025 ¹	28-Feb-2025 ²	% Change
EUR/USD	1.0458	1.0375	-0.79
EUR/GBP	0.82789	0.82494	-0.36
EUR/JPY	156.15	156.27	0.08
EUR/AUD	1.64558	1.67103	1.55
EUR/CHF	0.93960	0.93706	-0.27
USD/JPY	149.27	150.63	0.91
GBP/USD	1.2632	1.2577	-0.44

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

	24-Feb-2025 ¹	28-Feb-2025. ²	Change in basis points
ESTR	2.667	2.658	-0.90
Euribor 1W	2.641	2.607	-3.40
Euribor 1M	2.595	2.463	-13.20
Euribor 3M	2.521	2.464	-5.70
Euribor 6M	2.447	2.355	-9.20
Euribor 12M	2.463	2.394	-6.90

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic indicators (24 - 28 February 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	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.	January Final data MoM% YoY%	 -0.3% 2.5%	 -0.3% 2.5%	 -0.3% 2.4%
	Economic Confidence An economic indicator that measures the degree of optimism consumers feel about the overall condition of the economy and their personal financial situation. If the consumer has confidence in the economy of the immediate and near future and his personal finances, then they will spend more than they save.	February	95.9	96.3	95.3
Germany	IFO Business climate It refers to a survey of German companies on the current conditions of business in Germany, and their expectations for the next six months.	February	85.8	85.2	85.2
	GfK Consumer Confident This index measures the level of households' confidence in terms of economic performance.	March	-21.6	-24.7	-22.6
	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.	February Preliminary data MoM% YoY%	 0.4% 2.3%	 0.4% 2.3%	 -0.2% 2.3%
France	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.	February Preliminary data MoM% YoY%	 0.2% 1.0%	 0.0% 0.8%	 0.2% 1.7%
	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.	Q4 Final data QoQ% YoY%	 -0.1% 0.7%	 -0.1% 0.6%	 -0.1% 0.7%
USA	Initial Jobless Claims It measures the number of people filing for unemployment benefits for the first time.	22 February k=thousand	221K	242K	220K
	Personal Spending Personal spending is the total value of goods and services purchased by households within a specific period.	January	0.2%	-0.2%	0.8%
Japan	Industrial production It measures the changes in output of production, service and mining sectors.	January Preliminary data MoM% YoY%	 -1.1% 2.8%	 -1.1% 2.6%	 -0.2% -1.6%

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds fell from 2.46% to 2.40% this week. At the beginning of the week, the decline was caused by monitoring the trend in the U.S. bond market. Then yield weakened in the rest of the week due to concerns about economic growth in the euro area, which increases expectations that the ECB will continue to cut interest rates this year. In addition, the yield weakened due to the growing demand for safe assets as Trump's announcement about tariffs on Mexico, Canada and China causes uncertainty in the market. The yield stopped falling at the very end of the week and stabilized around the level of 2.41%.

U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. government bonds dropped from 4.43% to 4.20% during this reporting week. The fall in yield came as a series of weaker-than-expected economic data was released in the U.S., which raised expectations that the Fed could cut interest rates later this year. The data showed that consumer confidence fell more than expected and is at its lowest level since June last year. As of the second half of the week, and after Trump's announcement about tariffs, speculations have increased that the Fed could reduce the interest rate this year due to the expected negative impact of tariffs on economic growth. It was announced at the very end of the week that the PCE index for January slowed down, and that personal spending fell, which led economists to reduce their estimates for growth in Q1 2025, and this influenced the yield on 10-year bonds to further weaken.

GOLD



The price of gold has been constantly weakening in this reporting week, falling from the initial \$2,938.65 to \$2,857.83 at the very end of the week. The price of gold weakened this week as investors took advantage of the earlier rise in the price of this precious metal to make profits.

OIL



The price of oil decreased from \$73.80 to \$73.27 per barrel in this reporting week. The highest drop in oil prices occurred on Tuesday as a result of the uncertain foreign policy of the new U.S. President regarding Ukraine, as well as the trade war with allies. On the other hand, analysts suggest that the lifting sanctions against Russia could increase the supply of oil, and that tariffs on imports from Canada and China could reduce global demand for oil. All this led to a sharp drop in the price of oil. The price of this energy generating product continued to fall in mid-week, but at a slower pace due to the potential peace between Russia and Ukraine. The price of this product started to rise the next day, and the growth was present until the end of the reporting period. The rise came as the U.S. President revoked Chevron's license to operate in Venezuela, increasing oil supply concerns especially for the U.S. refineries. Chevron's exit from Venezuela could affect the decline in oil production in that country and ultimately negatively affect U.S. refineries.

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.