



**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	1.2016	T 2/21	1.1914
T 3/14	1.2016	M 2/20	1.1946
M 3/13	1.1934	F 2/17	1.1909
F 3/10	1.1894	T 2/16	1.1881
T 3/ 9	1.1909	W 2/15	1.1884
W 3/ 8	1.1928	T 2/14	1.1897
T 3/ 7	1.1889	M 2/13	1.1902
M 3/ 6	1.1996	F 2/10	1.1919
F 3/ 3	1.2025	T 2/ 9	1.1974
T 3/ 2	1.2012	W 2/ 8	1.1944
W 3/ 1	1.1913	T 2/ 7	1.1974
T 2/28	1.1923	M 2/ 6	1.1962
M 2/27	1.1853		

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
- 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) 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) 1 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, 10 January 2025
IYC4 152<GO>
Change on Month
IYC6 152<GO>

Change on day
IYC4 148<GO>
Change on Month
IYC6 148<GO>
For US Govt Yield Curve, type {IYC1 I2
For US swap Curve, type {IYC1 152 <G

Weekly overview of short news

- The price of gold rose from \$2,619.70 to \$2,640.22 per ounce this week as a result of increased demand for safe assets and due to geopolitical uncertainty.
- The price of oil increased from \$74.31 to \$77.38 per barrel, due to the reduction of oil supplies in the USA.
- According to preliminary data, the inflation rate in Spain and Portugal recorded an increase in December. The harmonized index of consumer prices on an annual basis in Spain increased from 2.4% to 2.8%, and in Portugal from 2.7% to 3.1%.

EUR/USD



The EUR/USD exchange rate fell in this reporting week. The exchange rate weakened slightly in the first half of the week, whereas the markets were closed in mid-week due to holidays. The largest drop in the exchange rate occurred on Thursday as the dollar was supported by the U.S. unemployment data (data on claims for social assistance for the unemployed in the U.S. were lower than expected), which indicated that the labour market is resilient. The euro, on the other hand, weakened due to concerns about the European economy, as there are fears that the export-oriented economies of the euro area will be hit by U.S. trade tariffs. Additionally, the drop in the exchange rate was influenced by the expectation that the ECB will reduce interest rates at a faster pace compared to the Fed. The exchange rate achieved a slight increase on the last day of the week as the data on unemployment in Germany were somewhat better than expected. Namely, the number of unemployed persons in Germany increased less than expected, i.e. by 10 thousand, while 15 thousand were expected.

EUR/GBP



During this week, the EUR/GBP exchange rate fluctuated from 0.82631 to 0.83253, and it did not register a significant change during the week. The exchange rate was stable on Monday, recording a slight drop on Tuesday, while the markets were closed for the holidays on Wednesday. Once the

market opened, the exchange rate rose for the day, as sterling weakened after the announcement that the PMI index fell from 47.3 to 47.0 in the U.K. in December. The drop pointed to a faster decline in output, new orders and employment as Europe's economic issues spill over into the U.K. The exchange rate fluctuated on the last day of the week, but rose slightly on the intraday level as it was announced that the number of mortgage loans decreased in November, and the number of buyers in Britain fell by 2.2% in 2024, which is the highest drop since the pandemic. This also indicates to the economic slowdown in this country. The U.K. Retail Consortium noted that the environment for retail is difficult and has been further exacerbated by increases in employment and property taxes. Overall, the British economy faces challenges from weaker spending and possible global trade frictions.

EUR/JPY



The EUR/JPY exchange rate depreciated in this reporting week. The exchange rate experienced a sharp drop on the first day of the week as it was announced that factory activity in Japan fell less than expected, and the index that measures factory activity stood at 49.6. There was no major change in the market on Tuesday as the volume of trade was reduced due to the New Year holidays, and it was also closed on Wednesday. The exchange rate continued to weaken on the first business day of this year, whereas this exchange rate did not register a major change on the last day of the week.

Table 1 - Exchange rates of the most important currencies

	30-Dec-2024¹	3-Jan-2025²	% Change
EUR/USD	1.0426	1.0308	-1.13
EUR/GBP	0.82901	0.82967	0.08
EUR/JPY	164.59	162.08	-1.53
EUR/AUD	1.67710	1.65822	-1.13
EUR/CHF	0.94028	0.93649	-0.40
USD/JPY	157.87	157.26	-0.39
GBP/USD	1.2578	1.2423	-1.23

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	3.15%	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

	30-Dec-2024¹	3-Jan-2025.²	Change in basis points
ESTR	2.9160	2.9190	0.30
Euribor 1W	2.935	2.901	-3.40
Euribor 1M	2.863	2.792	-7.10
Euribor 3M	2.683	2.731	4.80
Euribor 6M	2.577	2.554	-2.30
Euribor 12M	2.465	2.448	-1.70

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic indicators (30 December 2024 - 3 January 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	HCOB Euro Area Manufacturing PMI The index measures activities in the manufacturing sector and is calculated based on surveys of purchasing managers in various manufacturing companies and provides insight into the current state of the manufacturing industry and its trend. If the PMI is above 50, it suggests that manufacturing is expanding, while a PMI below 50 indicates a contraction in manufacturing. The index takes into account various aspects such as production, employment, new orders and inventories.	December Final data	45.2	45.1	45.2
	HCOB Germany Manufacturing PMI The index measures activities in the manufacturing sector and is calculated based on surveys of purchasing managers in various manufacturing companies and provides insight into the current state of the manufacturing industry and its trend. If the PMI is above 50, it suggests that manufacturing is expanding, while a PMI below 50 indicates a contraction in manufacturing. The index takes into account various aspects such as production, employment, new orders and inventories.	December Final data	42.5	42.5	42.5
Spain	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.	December Preliminary data			
		MoM%	0.2%	0.4%	0.2%
		YoY%	2.6%	2.8%	2.4%
Great Britain	Net Consumer Credit It refers to the net change in the total amount of consumer debt in the U.K. It represents the difference between the total amount of new loans approved to consumers and the amount of debt they have repaid over a specified period of time, usually a month. Growth - consumers in the U.K. are taking out more loans, which may indicate increased spending and confidence in the economy and vice versa.	November b=billion	1.2b	0.9b	1.1b
	S&P Global UK Manufacturing PMI This survey tracks opinion among procurement managers at manufacturing. The index was obtained from the results of questionnaires related to production, orders, supplies, employment, prices, etc.	December Final data	47.3	47.0	47.3
USA	Initial Jobless Claims It measures the number of people filing for unemployment benefits for the first time.	28 December k=thousand	221K	211 K	219 K
	Dallas Fed Manuf. Activity This index measures economic activity in the manufacturing sector within the region covered by the Dallas Fed and is an indicator of the state of manufacturing activity. A higher value indicates expansion of economic activity, while lower values may indicate a slowdown or contraction.	December	-3.0	3.4	-2.7
	S&P Global UK Manufacturing PMI This survey tracks opinion among procurement managers at manufacturing. The index was obtained from the results of questionnaires related to production, orders, supplies, employment, prices, etc.	December Final data	48.3	49.4	48.3

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds rose by some 3bp in this reporting week, from 2.40% to 2.43%. Despite data on faster-than-expected inflation growth in Spain and Portugal in December, investors' expectations regarding the reduction of ECB interest rates in 2025 did not change, therefore the yield had a downward trend on Monday. The markets were closed the following two days for the New Year holidays, and Thursday and Friday were marked by a lower volume of market activity. Although in the first half of the day on Thursday this yield continued the trend from Monday, due to somewhat weaker than expected results of the manufacturing sector of the euro area, it started to grow in the second part of the day, and the growth was also evident on Friday. The rise was driven by the tempered expectations for ECB monetary policy easing after better-than-expected U.S. manufacturing index data lowered these expectations for the Fed.

U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. government bonds fell by about 3bp in this reporting week, from 4.63% to 4.60%. This yield fell already on Monday, to compensate part of the losses the next day, all due to the rebalancing of investors' positions at the end of the year. Markets were closed on Wednesday for the New Year holiday. The yield fluctuated for the last two days of the week, but in overall saw a slight increase. Better-than-expected data on new jobless claims for social assistance in the U.S. and unexpected growth in the manufacturing index in December also in the U.S. pointed to the strength of the U.S. economy, that reduced expectations regarding the Fed's rate cut, which was the reason for the slight recovery of yields in the last two days of the week.

GOLD



The price of gold rose from \$2,619.70 to \$2,640.22 per ounce in this reporting week. During the first two days, the price of gold moved in a narrow range as the volume of trade was reduced due to the New Year holidays. The markets were closed on Wednesday. After the opening of the markets on Thursday, the price of gold recorded a slightly higher growth as investors expect indications of the direction in which the interest rate will move in the USA, as well as due to the growth of geopolitical uncertainty. The price of gold rose to a 3-week high (\$2,665.29) on Friday due to growing demand for safe assets, only to retreat from that level in the second part of the day.

OIL



The price of oil increased from \$74.31 to \$77.38 per barrel in this week. During the first two days of the week, the price of oil did not record a major change, while the markets were closed on Wednesday for the New Year holidays. After the continuation of trading on Thursday, the price of oil recorded a sharp increase as crude oil supplies in the U.S. fell by 1.18 million barrels during the last week, which is the sixth consecutive decrease. The price of oil continued to rise on Friday as Joe Biden prepares to issue a decree permanently banning new oil and gas exploitation in certain U.S. coastal waters.

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.