



**CENTRALNA BANKA
CRNE GORE**

Financial and Banking Operations Department - International Reserves Management Division -

International Financial Market Report

(31 March - 4 April 2025)

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	1.1911
W 3/15	1.2016	T 2/21	1.1914
M 3/14	1.2016	M 2/20	1.1946
F 3/13	1.1934	F 2/17	1.1909
T 3/10	1.1894	T 2/16	1.1881
W 3/9	1.1909	W 2/15	1.1884
M 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

1) 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.

ICAP's Smith: U.S. European Bonds, Fed Rates and Strategy

2) ICAP's Smith: U.S. European Bonds, Fed Rates and Strategy

Folmar's Bennett: U.S. Dollar, Fed Policy, Euro, Yen

3) Folmar's Bennett: U.S. Dollar, Fed Policy, Euro, Yen

Societe Generale's Maguire: BOJ Policy, Japan Rate, Economy

4) Societe Generale's Maguire: BOJ Policy, Japan Rate, Economy

China Airlines' Wei: Fleet Reorganization, Earnings Outlook

5) China Airlines' Wei: Fleet Reorganization, Earnings Outlook

Bear Stearns Teleconference: Fiscal First-Quarter Profit

6) Bear Stearns Teleconference: Fiscal First-Quarter Profit

Microsoft's Gallmer: Stock Performance, Strategy, Products

7) Microsoft's Gallmer: Stock Performance, Strategy, Products

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

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	Brazil 5511 3048 4500	Europe 44 20 7390 7500	Germany 49 69 920410
21) Hong Kong 852 2977 6000	Japan 81 3 3201 3900	Singapore 65 6212 1000	U.S. 1 212 316 2000
Copyright 2006 Bloomberg L.P. 6515-581-3 17-Mar-06 19:27:28			

Podgorica, 9 April 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

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Weekly overview of short news

- At the very end of the reporting period, the price of gold recorded a sharp decline as investors sold off the metal due to the record value that was reached following the announcement of the latest Trump tariffs. The price of gold fell from \$3,085.50 to \$3,037.77 per ounce in this reporting week.
- The price of oil fell this week from \$72.92 to \$64.14 per barrel.
- The U.S. President has announced that he will impose at least 10% tariffs on all U.S. exporters, with even higher tariffs for some 60 countries, to counter large trade imbalances with the U.S. These include some of the country's largest trading partners, such as China - which now faces tariffs of more than 50% on many products - as well as the E.U., Japan and Vietnam. This move marks a dramatic escalation in Trump's trade war, which risks provoking retaliation from other countries. China and the E.U., America's biggest trading partners, said they were preparing to take countermeasures in response.
- Credit rating agency Fitch has downgraded China's credit rating amid concerns about weakening public finances and rising public debt, just a day after the U.S. imposed more tariffs on the country. The rating was downgraded from 'A+' to 'A', with a stable outlook.
- More than 50 countries have contacted the U.S. to negotiate tariffs, the White House said.
- The Fed President Jerome Powell has made it clear that the bank will not be in a rush to react to the Trump administration's comprehensive tariffs or the financial market turmoil caused by fears of a global economic downturn. The tariffs are likely to have a significant impact on the U.S. economy, including slower growth and higher inflation, Powell said. The bank's obligation is to keep expectations regarding long-term inflation well anchored and to make sure that a one-time increase in the price level does not become an "issue" of permanent inflation.

FX NEWS

EUR/USD



The EUR/USD exchange rate was stable during the first three days, without major trend changes. Thursday saw a sharp increase from 1,083 to 1,114 as the euro was supported by lower-than-expected tariffs imposed on the E.U. goods by the U.S. In comments by the ECB officials, President Trump's tariffs on key trading partners - including 20% on the EU and 24% on Japan - pose risks to global financial stability, growth and inflation volatility. The Bundesbank President, Joachim Nagel, criticized the move as harmful to global prosperity, arguing for stronger alliances and lower trade barriers. The ECB Vice President Luis de Guindos warned of unpredictable consequences, stressing that trade tensions could weaken the euro, increase import costs and raise inflation through higher energy and raw material prices. The exchange rate fell on Friday as the Fed President made it clear that the bank would not rush to react to the tariffs and that Fed officials would wait before cutting interest rates.

EUR/GBP



The EUR/GBP exchange rate was stable during the first three days of the week, but it recorded a sharp increase in the last days of the week. The rise in the exchange rate came as China's additional tariffs against the U.S. fuelled a sell-off in risk assets, which led to sterling weakening against the euro. Traders raised expectations for interest rate cuts by major central banks following Trump's tariff policies. The market now expects the Bank of England to cut rates by three-quarters of a point and the ECB to have three to four cuts by the end of the year, more than earlier projections. Additionally, the Great Britain has released an indicative list of products comprising 27% of the U.S. imports (based on 2024 data) for possible countermeasures to President Trump's 10% tariffs on the U.K. exports. A 4-week consultation with the business community was launched to assess the implications.

EUR/JPY



The EUR/JPY exchange rate had a slight downward trend during this period due to the growing demand for safe assets, as the market reacted to the announcement of Trump's tariffs. Additionally, concerns that the trade war could intensify and negatively affect global economic growth fuelled the demand for safe assets and strengthened the yen against the euro.

Table 1 - Exchange rates of the most important currencies

	31-Mar-2025 ¹	4-Apr-2025 ²	% Change
EUR/USD	1.0828	1.0956	1.18
EUR/GBP	0.83671	0.85016	1.61
EUR/JPY	162.25	160.91	-0.83
EUR/AUD	1.72239	1.81452	5.35
EUR/CHF	0.95371	0.94317	-1.11
USD/JPY	149.84	146.93	-1.94
GBP/USD	1.2940	1.2887	-0.41

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	2.50%	17-Apr-2025
Federal Reserves (Fed)	Federal Funds Target Rate	4.50%	7-May-2025
Bank of Japan (BoJ)	Overnight Call Rate	0.50%	1-May-2025
Bank of England (BoE)	Official Bank Rate	4.50%	8-May-2025
Swiss National Bank (SNB)	Libor Target Rate	0.25%	19-Jun-2025
Bank of Canada (BoC)	Target Overnight Rate	2.75%	16-Apr-2025
Reserve Bank of Australia (RBA)	Cash Rate Target	4.10%	20-May-2025

The RBA held a meeting this week, leaving the benchmark interest rate at the same level.

Table 3 - ESTR and Euribor

	31-Mar-2025 ¹	4-Apr-2025. ²	Change in basis points
ESTR	2.417	2.415	-0.2
Euribor 1W	2.401	2.414	1.3
Euribor 1M	2.344	2.342	-0.2
Euribor 3M	2.328	2.323	-0.5
Euribor 6M	2.354	2.259	-9.5
Euribor 12M	2.324	2.235	-8.9

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic indicators (31 March - 4 April 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
Germany	Retail Sales This indicator tracks sales of new or used products to consumers for personal or household use.	February			0.2%
		MoM%	0.0%		3.5%
	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.	YoY%	0.5%	0.8%	0.5%
		March Preliminary data			
HCOB Manufacturing PMI An indicator that measures the soundness of Germany's manufacturing sector, and is based on surveys of purchasing managers regarding new orders, production, employment, supplier delivery times, and stock of purchased goods. Values range between 0 and 100. An index value below 50 indicates contraction of the manufacturing sector, whereas a value above 50 indicates expansion.	MoM%	0.3%	0.3%	0.4%	
	YoY%	2.2%	2.2%	2.3%	
		March	48.3	48.3	48.3
France	HCOB Manufacturing PMI An indicator that measures the soundness of France's manufacturing sector, and is based on surveys of purchasing managers in terms of new orders, production, employment, supplier delivery times and stock of purchased goods. Values range between 0 and 100. An index value below 50 indicates contraction of the manufacturing sector, whereas a value above 50 indicates expansion.	March	48.9	48.3	48.3
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.	March Preliminary data			
		MoM%	0.6%	0.6%	0.4%
		YoY%	2.2%	2.2%	2.3%
Great Britain	Retail Sales This indicator tracks sales of new or used products to consumers for personal or household use.	February			
		MoM%	-0.2%	0.5%	0.5%
		YoY%	2.5%	1.4%	3.9%
USA	Initial Jobless Claims This indicator measures the number of people receiving unemployment allowances. Similar to the applicant, the growing number of jobs is accompanied by an economic expansion that could influence inflationary pressures.	29 March k=thousand	225K	219 K	224K
		JOLTS Job Openings This concept tracks the number of free jobs in the economy. Vacancies generally include either newly created or unfilled positions (or soon-to-be-vacant positions) that the employer is taking particular action to fill.	February k=thousand	7658k	7568K
	Unemployment Rate Shows the number of unemployed persons as a percentage of the total workforce.	March	4.1%	4.2%	4.1%
Japan	Industrial production It measures the output of the energy sector, factories and mines. Growing industrial production points to increased production and economic expansion.	February Preliminary data			
		MoM%	2.0%	2.5%	-1.1%
		YoY%	1.2%	0.3%	2.2%

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds fell from 2.66% to 2.44% this week. The yields rose slightly on the first day of the week as Bloomberg reported that several ECB officials were unsure whether to cut interest rates next month. The yield weakened as of Tuesday until the end of the week as data on euro area inflation was released, which increased expectations that the ECB will continue to cut interest rates. The yield on 10-year German government bonds recovered slightly on Wednesday once Bloomberg reported that the E.U. was preparing a package of potential emergency measures to support parts of its economy following the expected introduction of the U.S. trade tariffs. Germany has rejected calls to increase the EU's 750-billion-euro bailout fund or to introduce a joint government bond sale, signalling its refusal to bear additional costs to suppress the debt crisis. At the very end of the week, expectations were heightened that the ECB could cut interest rates more aggressively than previously predicted due to Trump's tariffs.

U.S. GOVERNMENT BONDS MARKET



The yield on the 10-year U.S. bond fell this week, from 4.20% to 3.99%. The yield weakened at the beginning of the week in response to the announced new tariffs, and later due to their announcement, which increased uncertainty regarding global economic growth and inflation. Trump's latest tariffs increase threatens to strike a bigger blow to China's economy than it suffered during his first trade war. At the very end of the week, the yield weakened in the first part of the day, once the Fed President, Powell, highlighted the risk of a permanent impact on inflation due to the tariffs announced by the U.S. administration last week. The yield recovered in the second part of the day. Traders believe that a significant cut in interest rates is coming.

GOLD



The price of gold fell from \$3,085.50 to \$3,037.77 per ounce in this reporting week. The price of gold rose at the beginning of the week due to fears of a trade war caused by the U.S. President's global tariff plans, which were set for 2 April, as well as after their announcement, as investors turned to safe assets due to increased uncertainty in the market. The price of gold fell sharply on Friday due to high volatility in the market and as investors sold off the metal due to the record value reached after the announcement of the latest Trump tariffs.

OIL



The price of oil fell this week from \$72.92 to \$64.14 per barrel. It rose at the beginning of the week as the U.S. President proposed "secondary tariffs" on the export of Russian oil, targeting the main global supplier, which could lead to disruption of the global supply of this energy generating product. However, the price reaction remained "under pressure" due to the uncertainty surrounding the harsh U.S. trade measures that were expected. Trump suggested that the U.S. could work to reduce crude oil shipments from Russia to other countries. Oil prices weakened throughout the day on Friday after China's retaliatory tariffs on the U.S. and an escalating trade war added to concerns about a global recession and weakened demand.

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.