CENTRALNA BANKA
CRNE GORE

Financial and Banking Operations Division

- International Reserves Management Department -

International Financial Market Report

(3 - 7 August 2026)

Podgorica, 11 August 2026

Weekly overview of short news

- The price of gold increased from $4,065.67 to $4,341.56 per ounce this week due to reduced expectations that the Fed will raise interest rates.

- The price of oil fell from 83.37 to 81.77 dollars per barrel as a result of optimism that the Strait of Hormuz could be opened for maritime traffic.

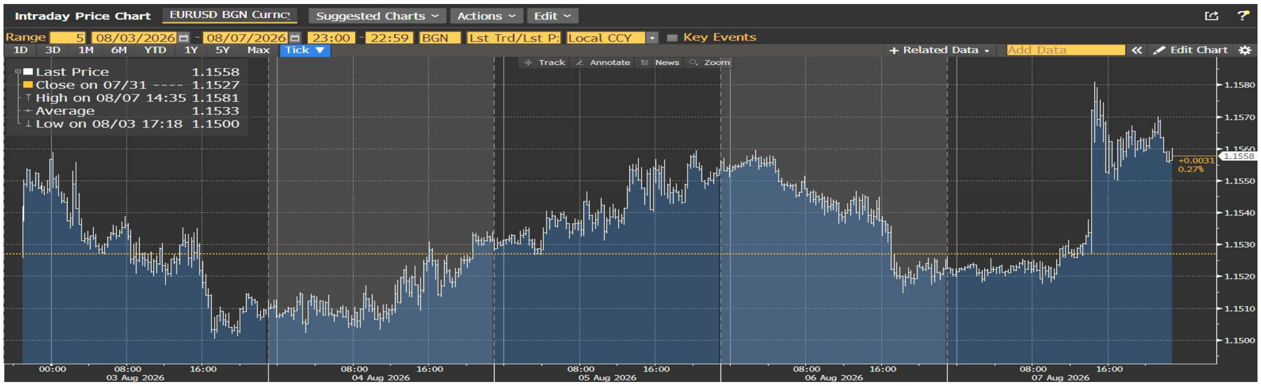
- Credit rating agency Fitch confirmed Austria's AA+ credit rating, with the outlook remaining stable.

- The unemployment rate in France rose to 8.3% in Q2, being the highest level in the last six years.

- The U.S. Senate has passed a short-term government funding bill, avoiding a federal government shutdown. The Bill will extend government funding until 11 December.

- Germany's industrial production rose by 0.2% in June, owing to a 3.6% increase in production in the car industry and an increase in production of transport equipment by 8.4%. Exports increased by 0.9% on a monthly basis.

EUR/USD Exchange Rate



The EUR/USD exchange rate weakened on Monday under the influence of better-than-expected U.S. economic data. Namely, the ISM index of the manufacturing sector in the USA rose to 55.6 in July, which exceeded the expected 53.9. Over the next two days, the exchange rate rose due to increased demand for riskier assets, fuelled by growing expectations about the de-escalation of tensions related to the passing through the Strait of Hormuz. The exchange rate weakened again on Thursday, due to the strengthening of the U.S. dollar, supported by the rise in the price of oil and the weakening of expectations about the easing of tensions in the Middle East. The dollar was weaker against the euro at the very end of the week as weaker-than-expected data from the U.S. labour market reduced expectations for an increase in Fed interest rates in the near future. Data from the U.S. Bureau of Labor Statistics showed on Friday that the number of people employed outside agriculture fell by 23,000 last month. Given that Fed Chairman Kevin Warsh has refrained from providing guidance on the central bank's future policy path, any economic data will be weighted, which will affect bets on a Fed rate increase.

Table 4 - Economic indicators (3 - 7 August 2026)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	**Retail Sales** This indicator shows changes in sales. The statistics covers universal shops and supermarkets. It shows the level of consumer shocks and consumer demand.	June MoM% YoY%	 0.1% 1.0%	 -0.3% 0.7%	 0.4% 1.9%
	S&P Global Eurozone Composite PMI The survey tracks opinion among procurement managers in manufacturing, construction and/or services sectors. The index was obtained from the results of questionnaires related to production, orders, stocks, employment, prices, etc.	F July	51.9	52.0	51.9
	Eurozone PPI This index measures changes in sale prices of goods and services used by producers in the euro area. Producers transfer higher costs to consumers through retail prices, thus PPI is important as an early inflation indicator.	June MoM% YoY%	 -0.3% 4.6%	 -0.3% 4.6%	 0.2% 5.9%
Germany	**S&P Global Germany Composite PMI** The survey tracks opinion among procurement managers in manufacturing, construction and/or services sectors. The index was obtained from the results of questionnaires related to production, orders, stocks, employment, prices, etc.	F July	51.2	51.3	51.2
	Factory Orders Factory orders provide a fairly comprehensive view of the manufacturing sector.	June MoM%	0.5%	3.1%	0.3%
	Industrial production It measures the changes in output of production, service and mining sectors.	June MoM%	2.0%	0.2%	0.7%
	Retail Sales This indicator shows changes in sales. The statistics covers universal shops and supermarkets. It shows the level of consumer shocks and consumer demand.	June MoM%	-0.3%	-1.1%	1.2%
Great Britain	**S&P Global UK Manufacturing PMI** The survey tracks opinion among procurement managers in manufacturing, construction and/or services sectors. The index was obtained from the results of questionnaires related to production, orders, stocks, employment, prices, etc.	F July	52.1	52.2	52.1
USA	**S&P Global US Composite PMI** The survey tracks opinion among procurement managers in manufacturing, construction and/or services sectors. The index was obtained from the results of questionnaires related to production, orders, stocks, employment, prices, etc.	F July	-	54.5	53.6
	Initial Jobless Claims Number of inhabitants receiving unemployment benefits.	1 August	205 K	199k	198k
	Change in nonfarm payrolls This report shows the total number of newly employed workers on a monthly basis by economy industries. It does not include employees in government services, NGOs, and the agricultural sector. It serves as the basis for tailoring economic policy and forecasting future economic trends. When the sign is negative, it means that the number of jobs has been lost.	July	80k	-23K	20 K
	US Job Openings Rate This indicator shows what percentage of all jobs in the USA are currently unfilled, that is, for which employers are actively looking for workers. It is calculated in relation to the total number of employees plus open positions.	June	4.4%	4.4%	4.5%

Abbreviations: **P**-preliminary data, **F**-final data, **S**-second estimate, **T**-third and final estimate, **k**-thousand, **b**-billion, **SA**-adjusted for seasonal fluctuations, **WDA**-working days adjusted, **A**-actual, **3M/3M -** past 3 months in relation to previous 3 months

Table 1 - Exchange rates of the most important currencies

	3-Aug-2026[1]	7-Aug-2026[2]	% Change
EUR/USD	1.1527	1.1559	0.28
EUR/GBP	0.85516	0.85674	0.18
EUR/JPY	181.43	182.38	0.52
EUR/AUD	1.64276	1.63556	-0.44
EUR/CHF	0.93036	0.93350	0.34
USD/JPY	157.40	157.76	0.23
GBP/USD	1.3483	1.3491	0.06

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)	Deposit Facility Rate	2.25%	10-Sep-2026
Federal Reserves (Fed)	Federal Funds Target Rate	3.75%	16-Sep-2026
Bank of Japan (BoJ)	Overnight Call Rate	1.00%	17-Sep-2026
Bank of England (BoE)	Official Bank Rate	3.75%	17-Sep-2026
Swiss National Bank (SNB)	Libor Target Rate	0.00%	24-Sep-2026
Bank of Canada (BoC)	Target Overnight Rate	2.25%	2-Sep-2026
Reserve Bank of Australia (RBA)	Cash Rate Target	4.35%	11-Aug-2026

Table 3 – ESTR and Euribor

	3-Aug-2026[1]	7-Aug-2026[2]	Change in basis points
ESTR	2.184	2.1850	0.10
Euribor 1W	2.165	2.132	-3.30
Euribor 1M	2.209	2.201	-0.80
Euribor 3M	2.484	2.474	-1.00
Euribor 6M	2.706	2.683	-2.30
Euribor 12M	2.964	2.898	-6.60

[1] Opening market value on Monday
[2] Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET

The yield on 10-year German government bonds declined slightly from 3.15% to 3.13% in this reporting week. The yield was in decline for the first two days of the week, with a more pronounced drop on Tuesday once Qatar announced that a draft pact between the U.S. and Iran had been prepared, while the U.S. Treasury Secretary expressed hope that an agreement could be reached to reopen the Strait of Hormuz. Reversal of the trend occurred as of mid-week, thus the yield started to rise. The rise in yield was fuelled by rising oil prices, which heightened concerns about inflationary pressures, as well as rising expectations that leading central banks may continue to raise interest rates. The yield fell again on the last day of the week, amid expectations that the Fed could delay raising interest rates after an unexpected slowdown in the U.S. labour market.

U.S. TREASURIES MARKET

The yield on 10-year U.S. treasuries dropped from 4.69% to 4.64% in this reporting week. The yield was relatively stable in early week, but recorded a more pronounced decline on Tuesday, under the influence of renewed optimism regarding the possibility of calming geopolitical tensions in the Middle East. The yield has started to rise again as of mid-week, primarily due to the rise in the price of oil, which increased the concern about inflationary pressures. The yield fell again on the last day of the reporting period following the release of unexpectedly weaker-than-expected data from the U.S. labour market.

GOLD

The price of gold rose from $4,065.67 to $4,341.56 per ounce in this reporting week. The price was stable during the first two days of the week, recording the upward trend as of Wednesday. The rise came as the prospect of a deal to reopen the Strait of Hormuz reduced expectations of an interest rate increase by the Fed. At the very end of the week, negative data from the U.S. labour market further reduced expectations about the increase in Fed interest rates for September.

OIL

The price of oil fell from 83.37 to 81.77 dollars per barrel during the reporting week. The price was relatively stable in early week, but it recorded a more pronounced drop on Tuesday. The drop came amid renewed optimism that the Strait of Hormuz could soon be reopened, after U.S. and Qatari officials said progress had been made in diplomatic efforts aimed at resolving the U.S.-Iran standoff. The price of oil has started to rise as of mid-week, after the media reported that Iran had attacked "enemy targets" in the area of the Strait of Hormuz. Escalating tensions have raised concerns about possible oil supply disruptions. The oil price growth halted on the last day of the reporting period, after Iran and neighbouring countries signalled progress in negotiations and efforts aimed at reopening the Strait of Hormuz.