

EURUSD ↓ 1.2179
 At 19:38 Op 1.2174 HI 1.2179 Value 3/21/06
 Market Price 1.2174 Currecy 1/4



CENTRALNA BANKA
 CRNE GORE

Range 3/17/05 - 3/17/06
 Upper Chart: 3 Market Price



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 3/14	1.1978
T 3/16	1.2174	W 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1910
T 3/14	1.2016	M 2/20	1.1909
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		

**International Financial
 Market Report**

1 - 5 October 2018

BLOOMBERG NEWS AUDIO/VIDEO

Search Audio/Video 3/17/06 19:27:27

Bankinvest's Broby, Softbank, Vodafone, L'Oreal, Body Shop
 ICAP's Smith, U.S. European Bonds, Fed
 F.Maria's Bennett, U.S. Dollar, Fed Policy, Euro, Yen
 Commonwealth Bank's Thurlbell, Oil Prices, Iraq
 China Airlines' Wei, Fleet Reorganization, Earnings Outlook
 Microsoft's Ballmer, Stock Performance, Strategy, Products
 Bear Stearns Teleconference: Fiscal First-Quarter Profit
 Daniel Broby, chief investment officer at Japanese mobile-phone unit and L'Oreal SAs purchase of Body Shop International Plc.

13) LIVE <GO> Events

Date	Time	Language	Type
3/17	Now Playing	English	☰
3/17	Now Playing	English	☰
3/17	20:00 - 20:30	English	☰
3/17	21:05 - 21:20	English	☰
3/17	22:00 - 23:00	English	☰
3/17	22:30 - 23:30	English	☰

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7930 7500 Germany 49 69 920410
 Hong Kong 852 2977 6000 Japan 81 3 3201 6900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2006 Bloomberg L.P.
 8635-351-3 17-Mar-06 19:27:28

USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US Semi 30/360				
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

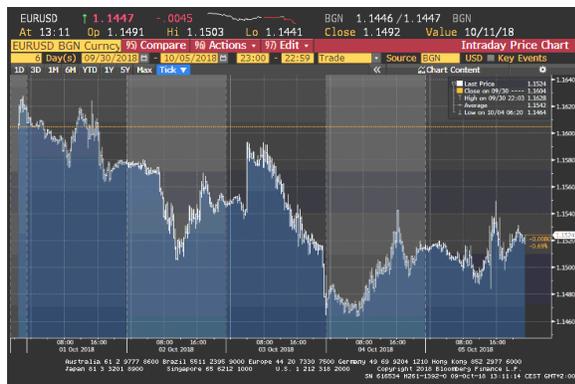
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	52.75	52.25	+.45
30) 10 YR	52.25	53.25	52.75	+.50
31) 15 YR	57.00	58.00	57.50	+.50
32) 20 YR	58.63	59.88	59.25	+.15
33) 30 YR	57.38	58.63	58.00	+.20

Change on day
 IYC4 I52<GO>
 Change on Month
 IYC6 I48<GO>
 For US Govt Yield Curve, type fIYC1 I2
 For US swap Curve, type fIYC1 I52 <G

Podgorica, 10 October 2018

FX NEWS

EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** had a downward trend in the first half of the week. The euro weakened due to rising uncertainty over Italy's fiscal position. The chairman of the budget committee said that that nation would solve all fiscal problems if it had its own currency. The Italian Government announced that the budget deficit for the next year will be 2.4%, which is above the level requested by the EU. Italy will deliver a detailed budget plan to Brussels for approval in mid-October (15 October). This was followed by announcements that Italy could reduce the budget target, which partially recovered the demand for the euro. Specifically, the targeted amounts for 2020 and 2021 will likely be reduced to 2.1% of GDP, or 1.8% of GDP, and this move by Italy is considered a kind of concession to the European Union after the EU put pressure on the Minister of Economy and Finance to curb the demands of the ruling coalition concerning the spending. The dollar boosted over the week as stronger than expected US economic data were published, as well as owing to the comments by the Fed's President (Powell said the Fed could raise the interest rate above the 3%, which is considered "neutral" as the "significantly positive" US economy continues to grow). The EUR/USD exchange rate slightly increased on Friday as the data from Germany showed that the industrial output of the country increased by 2% in August, after dropping 0.9% in June.

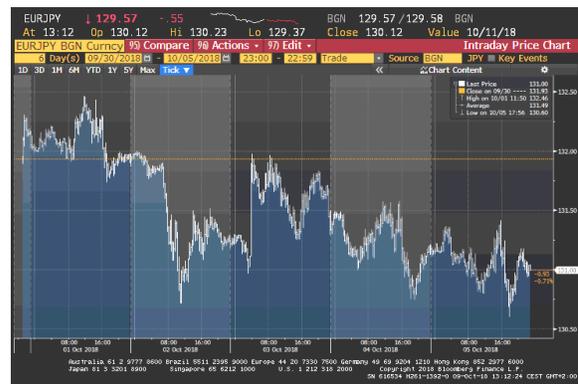
EUR/GBP



Source: Bloomberg LP

The **EUR/GBP exchange rate** was stable at the beginning of this reporting week and did not register significant changes. The exchange rate recorded a downward trend as of the mid-week, mainly due to the strengthening of sterling and as a result of the growing expectation that the UK will reach an agreement with the EU in November. The European Union representatives said on Friday that the EU is ready to offer the UK a free trade agreement that is better than all previously considered.

EUR/JPY



Source: Bloomberg LP

The **EUR/JPY exchange rate** fluctuated slightly over the week and did not register significant trend changes (132.45-131.04). The demand for yen was slightly higher in relation to euro mainly as a result of the unstable fiscal situation in Italy.

Table 1 - Exchange rates of the most important currencies

	1 October 2018 ¹	5 October 2018 ²	% Change
EUR/USD	1.1604	1.1524	-0.69
EUR/GBP	0.89037	0.87790	-1.40
EUR/JPY	131.93	131.000	-0.70
EUR/AUD	1.60689	1.63393	1.68
EUR/CHF	1.13980	1.14366	0.34
USD/JPY	113.70	113.720	0.02
GBP/USD	1.3031	1.31200	0.68

Table 2 - Overview of the reference interest rates of the leading central banks

Central Bank	Reference interest rate	Reference interest rate level	Next meeting
European Central Bank	ECB Main Refinancing Rate	0.00%	25 October 2018
Federal Reserves	Federal Funds Target Rate	2.25%	8 November 2018
Bank of Japan	Overnight Call Rate	-0.10%	31 October 2018
Bank of England	Official Bank Rate	0.75%	1 November 2018
Swiss National Bank	Libor Target Rate	-0.75%	13 December 2018
Bank of Canada	Target Overnight Rate	1.50%	24 October 2018
Reserve Bank of Australia	Cash Rate Target	1.50%	2 October 2018

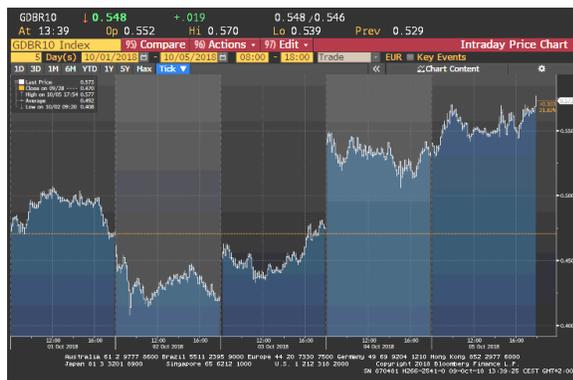
Table 3 - Eonia and Euribor

	1 October 2018 ¹	5 October 2018 ²	Change in basis points
Eonia	-0.351	-0.362	-1.10
Euribor 1W	-0.378	-0.376	0.20
Euribor 1M	-0.371	-0.371	0.00
Euribor 3M	-0.318	-0.318	0.00
Euribor 6M	-0.268	-0.267	0.10
Euribor 12M	-0.159	-0.158	0.10

¹Opening market value on Monday

²Closing market value on Friday

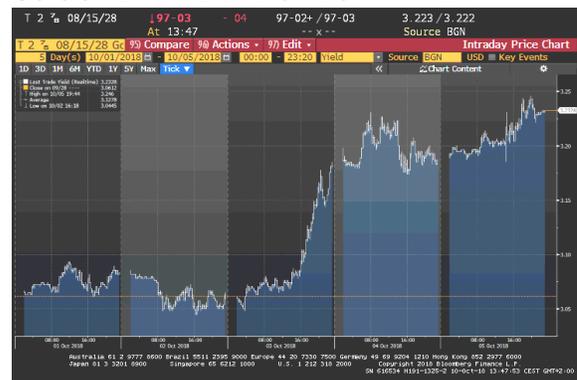
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yields on 10-year German government bonds recorded a decline on the first day of the week. The yields fell by about 5 basis points due to the events in Italy. On the other hand, yields on Italian government bonds of the same maturity rose to a level of 3.3% as the Italy's Minister of Finance attempted to promote a new fiscal strategy to its euro area partners, which was greeted with scepticism. The European Commission President warned that Italy, with its proposed budget for 2019, is moving away from targets set at the EU level and that he does not want Italy to face the crisis that previously hit Greece. Yields on German 10-year government bonds continued to decline on Tuesday while yields on Italian bonds rose (around 12 basis points) after Claudio Borghi said the euro was not efficient enough to solve Italy's fiscal problem. As of the mid-week, the yields on German bonds were recovering. Namely, German bonds go in line with the US bond market developments, which, together with the news that Italy will reduce the target level for the budget, affected the growth in yields on these bonds. The yields on 10-year German bonds ranged around 0.572% at the end of the reporting week.

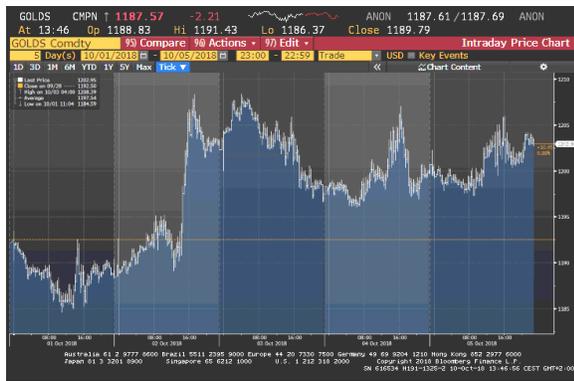
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yields on US government bonds were relatively stable until mid-week. However, there was a sharp increase in yields on US bonds, as the Fed chairman announced that there could be a higher interest rate increase than the market expects, since the news of the US economy is significantly positive. There was still a growing trend in yields on US bonds in the remainder of the week, as it was announced that the unemployment rate had fallen to the lowest level in the past 49 years, reaching 3.7%. The yields on US 10-year bonds rose by around 20 basis points this week and stood at 3.23% at the end of the period.

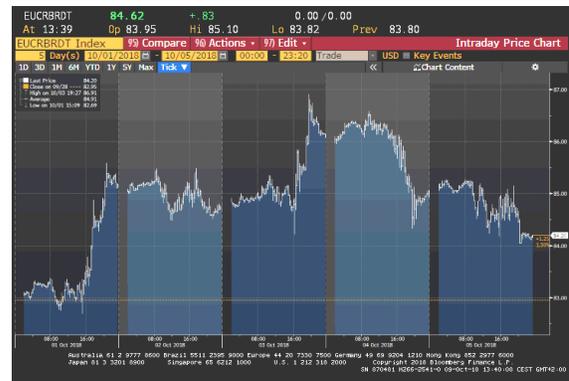
GOLD



Source: Bloomberg LP

The price of gold did not make major changes on the first day of this reporting week, but it recorded larger growth on Tuesday. The growth came as investors increased the appetite for safe investments, as markets in the world became more confused about the budget crisis in Italy. Nevertheless, in the rest of the week, the crisis in Italy did not further increase the price of gold as the growth in yields on US bonds compensated for the pressure that the situation concerning Italy caused in the market.

OIL



Source: Bloomberg LP

Oil prices rose on the first day of the reporting week, fluctuating around the highest level in the last four years as the number of oil wells in the United States fell. This, along with the decline in exports from Iran and Venezuela due to US sanctions, led to decrease in oil supplies globally. Oil prices continued to rise and reached 86.91 dollar a barrel in the mid-week, despite the announcement that oil supplies in the US rose. Oil growth was halted by the end of the week, due to speculation that Saudi Arabia and Russia reached an informal agreement to increase the volume of oil production in order to lower the price of this fuel. The representative of Saudi Arabia said they could immediately put in operation the additional oil production capacities, in order to compensate for the shortcoming that arose after the US imposed sanctions on Iran.

Table 4 - Economic indicators in the period 1 - 5 October 2018

Country	Indicator	Period	Expected value	Current value	Previous value
USA	ISM Manufacturing This indicator assesses the condition of the US industry by examining executives about their expectations regarding future production, new orders, supplies, employment and deliveries.	September	60.0	59.8	61.3
	Initial Jobless Claims Measures the number of people receiving unemployment allowances.	29 September K=1,000	215K	207K	214K
Great Britain	Mortgage Approvals This indicator measures the number and/or value of mortgage loans approved by lenders.	August K=1,000	64.5 K	66.4 K	64.8 K
Germany	Consumer price index (CPI) 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 in Germany.	August MoM% (YoY%)	0.2% (2.9%)	0.3% (3.1%)	0.2% (3.0%)
Italy	Unemployment Rate The percentage of individuals being on the labour market and unemployed, but actively looking for a job. Higher unemployment rate generally weakens the economy and results in lower personal spending.	August P	10.5%	9.7%	10.4%
	Retail Sales Measures changes in retail trade in Italy.	August MoM% (YoY%)	0.1% (0.2%)	0.7% (2.2%)	-0.1% (-0.6%)

Source: Bloomberg