

EURUSD ↓ 1.2179
At 19:38 Op 1.2174 HI 1.2179 Value 3/21/06
1.2179/1.2180 TTDL
L.2174 Value 3/21/06
Currency 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 2/24	1.1878
T 3/16	1.2174	W 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1919
T 3/14	1.2016	M 2/20	1.1924
M 3/13	1.1934	F 2/17	1.1909
F 3/10	1.1894	T 2/16	1.1854
T 3/ 9	1.1909	W 2/15	1.1864
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

22 - 26 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, Euro
F.Marks 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.

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 Mubaidin: 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	☰

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.
8615-351-3 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

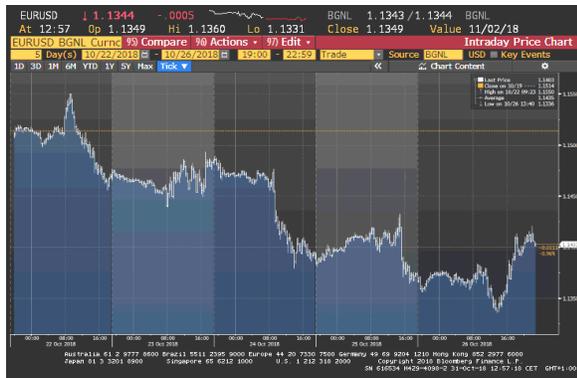
USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	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, 1 November 2018

FX NEWS

EUR/USD



Source: Bloomberg LP

The EUR/USD exchange rate had a downward trend during the reporting week. Uncertainty over Brexit, as well as the adoption of Italy's budget for the next year, has a negative impact on the euro. The European Commission rejected the provided draft budget of Italy and gave it a three-week deadline to submit an amended draft for the next year, which put pressure on the euro. A series of weaker than expected economic data on the economy of Germany, France and the euro area was the reason the euro weakened against the dollar on Wednesday (the index of manufacturing and service sector in the EU fell in October, as well as consumer confidence; poor data on the production sector of Germany and France for September were published). The following day, after the ECB meeting, the exchange rate continued with a downward trend as this bank did not offer anything new to investors in the monetary domain. At the very end of the week, the exchange rate recovered as the S&P decided to retain Italy's credit rating, regardless of the fact that outlook changed from "stable" to "negative." At the beginning of the week, the EUR/GBP exchange rate was 1.1514, being 1.1403 at the end of the week.

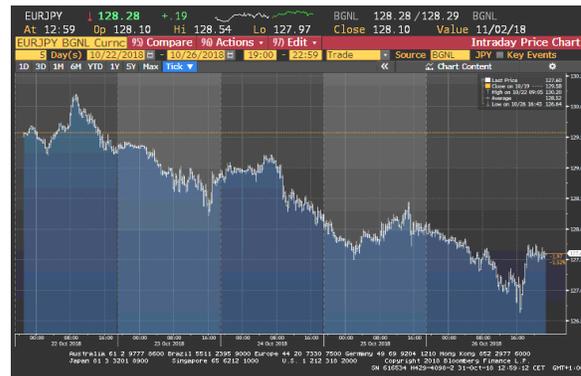
EUR/GBP



Source: Bloomberg LP

During the reporting period, the Euro recorded a growth against the British currency. Failing to reach an agreement on border with Northern Ireland put constant pressure on the British currency. Issues for Great Britain exist in the country as well as the leading political parties fail to reach an agreement on Brexit. All this has a negative impact on the British currency.

EUR/JPY



Source: Bloomberg LP

The EUR/JPY exchange rate had a declining trend this week mainly as a result of fall in the price of shares in the Asian and US markets, which prompted investors' demand for safe assets. After the ECB meeting on Thursday, the euro weakened against the yen, as no major steps were mentioned at the ECB meeting that could lead to an increase in interest rates. The last day, the yen was weaker against the euro after S&P retained Italy's existing credit rating.

Table 1 - Exchange rates of the most important currencies

	22 October 2018 ¹	26 October 2018 ²	% Change
EUR/USD	1.1514	1.1403	-0.96
EUR/GBP	0.88121	0.88863	0.84
EUR/JPY	129.58	127.60	-1.53
EUR/AUD	1.61757	1.60822	-0.58
EUR/CHF	1.14687	1.13759	-0.81
USD/JPY	112.55	111.91	-0.57
GBP/USD	1.3076	1.2828	-1.90

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%	13 December 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	1.75%	12 May 2018
Reserve Bank of Australia	Cash Rate Target	1.50%	6 November 2018

At the meeting held this week, the European Central Bank retained unchanged monetary policy, as was expected. The ECB has confirmed that the quantitative easing programme is expected to be completed by the end of December this year, and that interest rate increase could be expected after summer 2019.

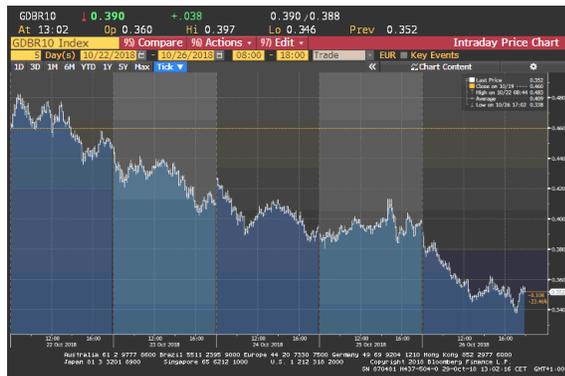
Table 3 - Eonia and Euribor

	22.10.2018. ¹	26.10.2018. ²	Change in basis points
Eonia	-0.368	-0.369	-0.1
Euribor 1W	-0.376	-0.376	0.0
Euribor 1M	-0.370	-0.369	0.1
Euribor 3M	-0.317	-0.318	-0.1
Euribor 6M	-0.262	-0.259	0.3
Euribor 12M	-0.154	-0.148	0.6

¹Opening market value on Monday

²Closing market value on Friday

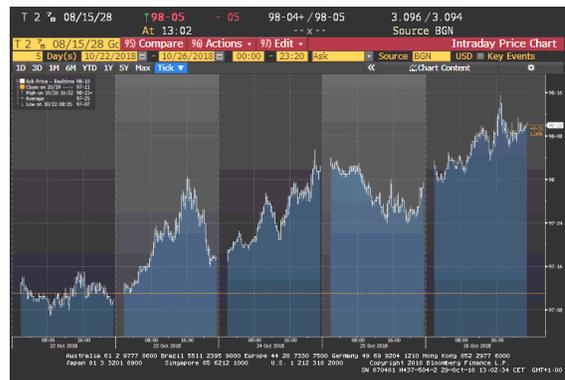
EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Yields on 10-year German government bonds recorded downward trend during the reporting week. The yields on German bonds fell due to a rise in demand for safe assets (as global stock prices fell), on the other hand, yields on Italian bonds rose after the European Commission rejected the draft budget of Italy. Worse than expected production figures in Germany and France further affected the decline in yields. The yields on German bonds continued to fall as well after a meeting of the European Central Bank. President Mario Draghi stated that inflation will increase in the medium term, while economic growth is going in the right direction. The ECB's interest rate expectations remained unchanged if compared to previous sessions. At the beginning of the week, yields on 10-year German bonds stood at 0.483%, with a yield of 0.352% being recorded at the very end of the week.

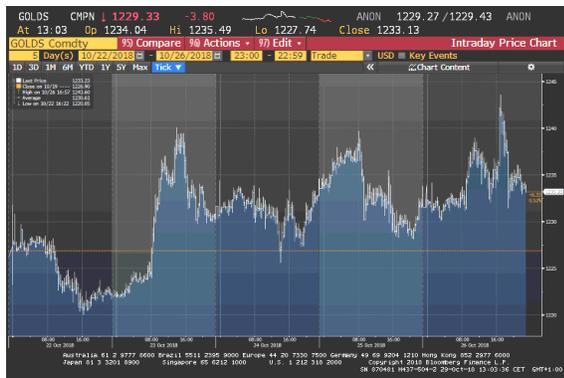
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Prices of 10-year US government bonds had an upward trend in this reporting week. The prices of the mentioned bonds grew, due to a fall in the price of shares on a global level. A strong decline in stock exchange indices was recorded during the week, as a result of investors' concerns over the tensions in the global trade. At the very beginning of the week yields on 10-year bonds were at 3.2073% and at the end of the week at 3.0755%.

GOLD



Source: Bloomberg LP

At the very beginning of the week, the price of gold was declining, with the decline not being excessive, but the price recovered the next day as a result of the increased demand for safe assets. The uncertainty over Brexit, Italy's disputed budget for the upcoming year, and Trump's threats that the US will withdraw from the nuclear deal with Russia, increased both the caution of investors in the market and their turning to safe financial assets. Gold prices did not have significant fluctuations in the rest of the week, but definitely had a growing tendency as the drop in stock prices on the global capital market was evident during the week.

OIL



Source: Bloomberg LP

Oil prices were stable on Monday. The price of this fuel dropped on Tuesday, as Saudi Arabia said it did not intend to use its oil wealth as a political tool for retaliation, due to the possible reaction of the international community to the killing of journalist Khashoggi in the consulate of this kingdom in Istanbul. On the other hand, a significant oil supplies growth was recorded in the United States (fifth week in a row). The Saudi Arabian Energy Minister said this kingdom is ready to increase the volume of oil production to 11 million barrels a day and does not plan to introduce the oil embargo as in 1973, also committing to increase the volume of production as much as possible to meet demand requirements, as well as to compensate for the drop in supplies of this energy generating product that will follow once the United States impose sanctions against Iran in November. The price of oil did not record larger trend oscillations from Wednesday until the end of the week.

Table 4 - Economic indicators in the period 22 - 26 October 2018

Country	Indicator	Period	Expected value	Current value	Previous value
USA	Gross domestic product (GDP) One of the basic macroeconomic indicators, which represents the calculated value in the market prices of goods and services produced within the country, but excludes the income of citizens and corporations working abroad. Four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.	III Quarter YoY%	3.3%	3.5%	4.2%
	Initial Jobless Claims 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.	20 October K=1,000	215 K	215 K	210 K
Germany	Production price index Assesses the average change in prices of certain manufacturers at all stages of production, but does not include imported goods, services and taxes. The index is seen as an indicator of future inflation.	September MoM%	0.3%	0.5%	0.3%
Euro area	Consumer Confidence Expectations (mood) of consumers. This household survey, designed to assess the individual's propensity for spending, is an attempt to measure consumer optimism.	October	-3.2	-2.7	-2.9

Source: Bloomberg