

EURUSD ↓ 1.2179  
At 19:38 Op 1.2174 HI 1.2180 TTOL 1.2179/1.2180  
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	T 2/24	1.1878
T 3/16	1.2174	W 2/22	1.1911
W 3/15	1.2050	T 2/21	1.1914
T 3/14	1.2016	M 2/20	1.1915
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

(29 October 2018 - 02 November 2018)

BLOOMBERG NEWS AUDIO/VIDEO

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

Bankinvest's Broby: Softbank, Vodafone, L'Oreal Body  
ICAP's Smith: U.S. European Bonds, Fed  
FIM's Bennett: U.S. Dollar, Fed Policy, Euro, Yen  
Commonwealth Bank's Thudell: Oil Prices, Iraq  
China Allined Wei: Fleet Reorganization, Earnings Outlook  
Microsoft's Ballmer: Stock Performance, Strategy, Products

13) LIVE <GO> Events

Event	Date	Time	Language	Type
14) Legal & General Teleconference: Full-Year Earnings	3/17	Now Playing	English	C
15) UBS Warburg's Hickson: Outlook for Steel Industry	3/17	Now Playing	English	X
16) European Commission: Daily News Conference	3/17	20:00 - 20:30	English	X
17) Egypt's Mohieldin: Sale of State-Owned Businesses	3/17	21:05 - 21:20	English	X
18) Borders Group Teleconference: 4th-Qtr Results	3/17	22:00 - 23:00	English	C
19) AIG Teleconference About Fourth-Quarter Results	3/17	22:30 - 23:30	English	C

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 320410  
Hong Kong 852 2377 6000 Japan 81 3 3201 8800 Singapore 65 6312 1000 U.S. 1 212 318 2000 Copyright 2006 Bloomberg L.P.  
6815-931-3 17-Mar-06 19:27:28

USD INTEREST RATE SWAPS					USD SPREADS				
Ticker	Bid	Ask	Mid	Chng	Ticker	Bid	Ask	Mid	Chng
US Semi 30/360					22) 2 YR	42.88	44.13	43.50	--
2) 2 YR	5.0670	5.0800	5.0755	+0.0305	23) 3 YR	41.50	42.75	42.13	-.17
3) 3 YR	5.0500	5.0720	5.0610	+0.0330	24) 4 YR	44.38	45.63	45.00	-.10
4) 4 YR	5.0620	5.0740	5.0680	+0.0250	25) 5 YR	48.25	49.25	48.75	+.25
5) 5 YR	5.0860	5.0920	5.0890	+0.0235	26) 6 YR	49.50	50.50	50.00	+.30
6) 6 YR	5.1100	5.1130	5.1105	+0.0170	27) 7 YR	50.50	51.50	51.00	+.40
7) 7 YR	5.1300	5.1350	5.1325	+0.0170	28) 8 YR	51.13	52.13	51.63	+.33
8) 8 YR	5.1470	5.1530	5.1500	+0.0160	29) 9 YR	51.75	52.75	52.25	+.45
9) 9 YR	5.1620	5.1680	5.1640	+0.0135	30) 10 YR	52.25	53.25	52.75	+.50
10) 10 YR	5.1780	5.1830	5.1805	+0.0175	31) 15 YR	57.00	58.00	57.50	+.50
11) 15 YR	5.2370	5.2430	5.2400	+0.0145	32) 20 YR	58.63	59.88	59.25	+.15
12) 20 YR	5.2670	5.2720	5.2690	+0.0130	33) 30 YR	57.38	58.63	58.00	+.20
13) 30 YR	5.2750	5.2840	5.2795	+0.0190					

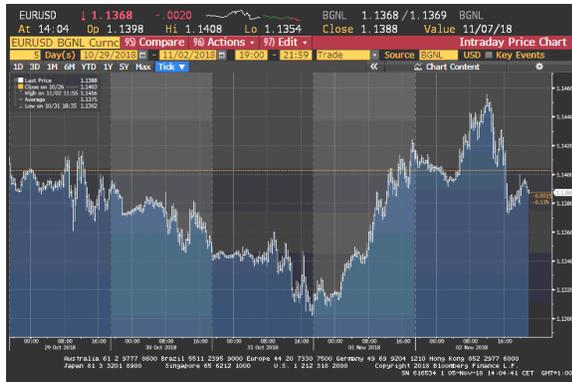
Change on day  
IYC4 I52<GO>  
Change on Month  
IYC6 I52<GO>

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

Podgorica, 07 November 2018

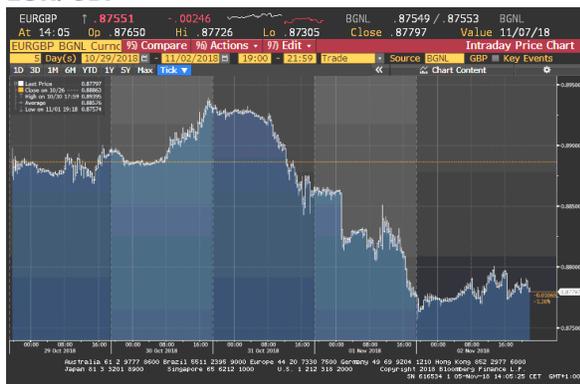
## FX NEWS EUR/USD



Source: Bloomberg LP

In the first three days of this reporting week, the **EUR/USD exchange rate** recorded a downward trend. The weakening of the euro relative to the US dollar was affected by the publication of worse data on euro area GDP for the third quarter, as well as the decline in retail sales in Germany. Positive US labour market data has further weakened the course. Namely, the US ADP National Employment Report of the National Employment Service showed that payroll payments in October expanded by 227 thousand while an increase of 187,000 was expected. By the end of the week, the EUR/USD exchange rate recovered briefly, due to the decline in the ISM index that measures activity in the US industry sector. This reporting week was completed with a re-weakening of the course. The dollar has strengthened against the European currency, due to a possible deal between the US and China. In addition to boosting the dollar, there were also better data than at the US la Weekly Report 29 October 2018 – 02 November 2018bor market.

## EUR/GBP

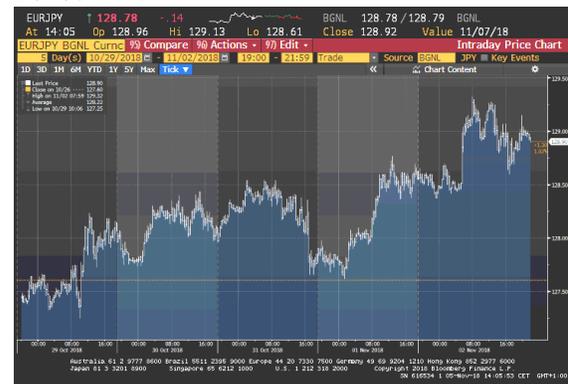


Source: Bloomberg LP

At the beginning of the week, the **EUR/GBP exchange rate** had a tendency for growth, as political uncertainty on Brexit still affected the British currency, while on the other hand, the Standard and

Poor's credit agency made a statement that failing to reach an agreement on Brexit would have most likely resulted in the introduction UK in a recession that could last for more than a year. Since Wednesday, there has been a steeper decline in the course. Sterling strengthened against the euro as British Secretary Dominic Raab pointed out that the UK and the EU separation negotiations are "in sight" (awaiting finalization on 21 November). Investors have increased their expectations that financial institutions in the UK will not lose the privileges of EU accession, which further strengthened the sterling. After the BoE meeting on Thursday, the EUR/GBP exchange rate continued to weaken, as the level of the interest rate was kept at the same level, and on this occasion it was also pointed out that if Brexit went smoothly, the pace of interest rate growth in the country could be faster. On Friday, the EUR/GBP exchange rate was stable.

## EUR/JPY



Source: Bloomberg LP

During most of this reporting week, the **EUR/JPY** had an upward trend. The growth in the exchange rate was affected by the recovery in stock prices at US stock exchanges, as well as speculation about a possible trade arrangement between the US and China, which reduced the demand for safe funds. Also, at a meeting of the Bank of Japan held this week, it was said that this bank is still not going to hurry with the suspension of the program of quantitative easing. On the night between Wednesday and Thursday, the exchange rate weakened briefly, due to an increase in demand for safe assets. However, by the end of the week, the upward trend in the EUR/JPY exchange rate resumed.

**Table 1 - Exchange rates of the most important currencies**

	29 October 2018 <sup>1</sup>	02 November 2018 <sup>2</sup>	% Change
EUR/USD	1.1403	1.13880	-0.13
EUR/GBP	0.88863	0.87797	-1.20
EUR/JPY	127.60	128.920	1.03
EUR/AUD	1.60822	1.58332	-1.55
EUR/CHF	1.13759	1.14258	0.44
USD/JPY	111.91	113.200	1.15
GBP/USD	1.2828	1.29700	1.11

**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%	08 November 2018
Bank of Japan	Overnight Call Rate	-0.10%	20 December 2018.
Bank of England	Official Bank Rate	0.75%	20 December 2018
Swiss National Bank	Libor Target Rate	-0.75%	13 December 2018
Bank of Canada	Target Overnight Rate	1.75%	05 December 2018
Reserve Bank of Australia	Cash Rate Target	1.50%	06 November 2018

The Central Bank of England did not change the amount of the interest rate at a regular session that was held on Thursday, and it is the same case with the Central Bank of Japan.

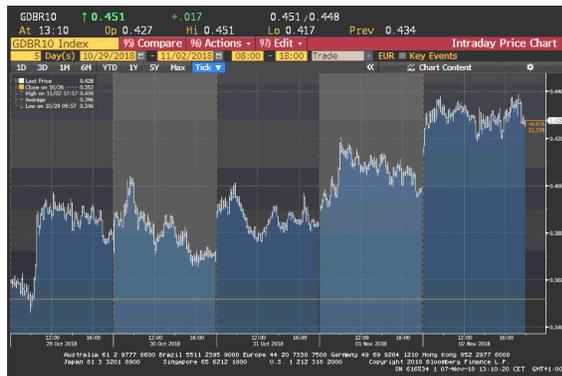
**Table 3 - Eonia and Euribor**

	29 October 2018 <sup>1</sup>	02 November 2018 <sup>2</sup>	Change in basis points
Eonia	-0.369	-0.362	0.70
Euribor 1W	-0.376	-0.376	0.00
Euribor 1M	-0.369	-0.368	0.10
Euribor 3M	-0.318	-0.318	0.00
Euribor 6M	-0.259	-0.258	0.10
Euribor 12M	-0.148	-0.148	0.00

<sup>1</sup> Opening market value on Monday

<sup>2</sup> Closing market value on Friday

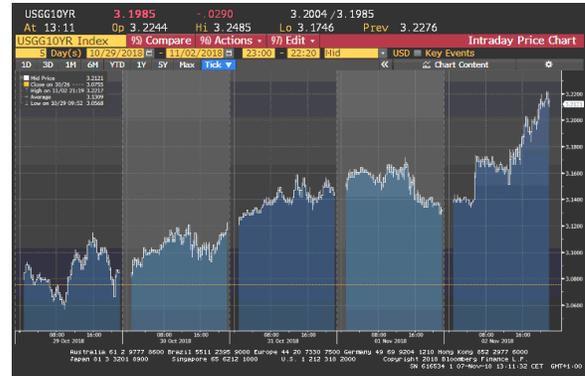
## EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Yields on German government bonds recorded growth during almost the entire period, with the biggest increase occurring at the very beginning of the week. Namely, then Angela Merkel, after poor results in the regional elections, confirmed that she would not run for the Chancellor after the end of this term, and that she would withdraw from her party's decade in December. The rest of the week also recorded upward trend in yields to German government bonds, and discussed how the recovery in stock prices in global markets has affected the demand for safe assets to decrease. Yields on German 10-year bonds were at 0.428% at the end of the week.

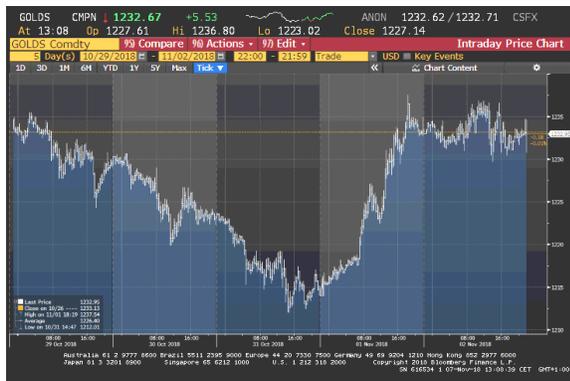
## US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yields on US government bonds rose during this reporting period. The yield growth was the result of recovery of the prices of shares in the USA, which led to a shrinking demand for safe assets. The other two factors that boosted yields on US bonds this week are: positive data on the US economy, as well as easing tensions over the US and China trade war. Namely, data on employees, which do not include employees in agriculture, showed that the number of jobs in October increased by 250 thousand, which is more than expected. On the other hand, the US president softened the rhetoric and said it was possible to reach a satisfactory trade deal with China. The yields on 10-year US government bonds were 3.21% at the end of the week.

## GOLD



Source: Bloomberg LP

During the first three days of this reporting week, gold price had a downward trend, as the prices of the shares were again at the positive territory and due to strengthening of the US currency. The price of this precious metal was recorded at the end of the week.

## OIL



Source: Bloomberg LP

During this reporting week, oil prices had a downward trend. Concerns have grown about the possible shortage of oil after the introduction of energy sanctions against Iran by the United States. There were worries that the increase in the production of OPEC members (primarily Saudi Arabia and Russia) could lead to a surplus at the global oil market. There was also an increase in oil supplies in the United States.

**Table 4 - Economic indicators 29 October – 02 November 2018**

Country	Indicator	Period	Expected value	Current value	Previous value
USA	<b>Initial Jobless Claims</b> It measures changes in the number of employed people in the United States. The growth of this indicator has a positive impact on consumer spending, which stimulates economic growth.	October K= 1.000	187 K	227 K	230 K
	<b>ISM Manufacturing</b> This indicator assesses the state of the US industry by examining executives about their expectations regarding future production, new orders, stocks, employment and delivery.	October	59.0	57.7	59.8
Germany	<b>Retail Sales</b> Measures changes in retail sales in Germany.	September MoM% (YoY%)	0.5% (1.0%)	0.1% (-2.6%)	-0.1% (1.6%)
Euro area	<b>GDP</b> 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. Fours components are used to calculate GDP: consumption, investments, government expenditure, and net exports.	3Q QoQ% (YoY%)	0.4% (1.8%)	0.2% (1.7%)	0.4% (2.1%)

Source: Bloomberg