

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: 3 Market Price
 Currency 1/4
 1) News



Financial and Banking Operations Department - International Reserves Management Division -

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	1.2179	F 2/24	1.1878
T 3/16	1.2174	T 2/23	1.1911
W 3/15	1.2050	W 2/22	1.1911
T 3/14	1.2016	T 2/21	1.1914
M 3/13	1.1934	M 2/20	1.1946
F 3/10	1.1894	F 2/17	1.1909
T 3/ 9	1.1909	T 2/16	1.1914
W 3/ 8	1.1928	W 2/15	1.1904
T 3/ 7	1.1889	T 2/14	1.1897
M 3/ 6	1.1996	M 2/13	1.1902
F 3/ 3	1.2025	F 2/10	1.1919
T 3/ 2	1.2012	T 2/ 9	1.1974
W 3/ 1	1.1913	W 2/ 8	1.1944
T 2/28	1.1923	T 2/ 7	1.1974
M 2/27	1.1853	M 2/ 6	1.1962

International Financial Market Report

(11 February - 15 February 2019)

BLOOMBERG NEWS AUDIO/VIDEO

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

- Bankinvest's Broby: Softbank, L'Oreal, Body Shop
- ICAP's Smith: U.S. Fed Policy, Eurozone
- F.Maria's Bennett: U.S. Fed Policy, Eurozone
- Comptroller General Walker: Fiscal Policy and Deficit
- China Airlines' Wei: Fleet Reorganization, Earnings Outlook
- Microsoft's Ballmer: Stock Performance, Strategy, Products
- Societe Generale's Maguire: BOJ Policy, Japan Rate, Economy
- Missouri'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	🔊
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) Bonders 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 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2006 Bloomberg L.P.
 8615-351-3 17-Mar-06 13:27:28

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

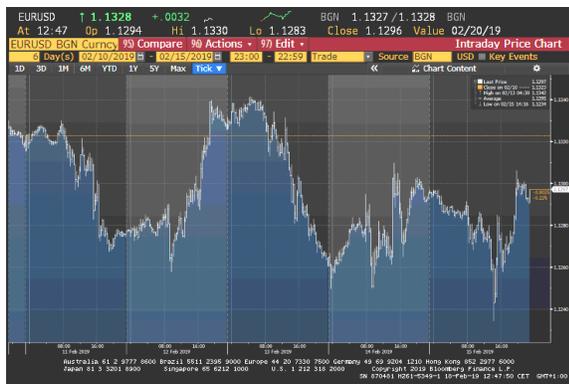
USD INTEREST RATE SWAPS				
Ticker	Bid	Ask	Mid	Chng
US SPREADS				
22) 2 YR	42.88	44.13	43.50	--
23) 3 YR	41.50	42.75	42.13	-.17
24) 4 YR	44.38	45.63	45.00	-.10
25) 5 YR	48.25	49.25	48.75	+.25
26) 6 YR	49.50	50.50	50.00	+.30
27) 7 YR	50.50	51.50	51.00	+.40
28) 8 YR	51.13	52.13	51.63	+.33
29) 9 YR	51.75	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 {IYC1 I2
 For US swap Curve, type {IYC1 I52 <G

Podgorica, 21 February 2019

FX NEWS

EUR/USD



Source: Bloomberg LP

The EUR/USD exchange rate fluctuated during this reporting week. At the beginning of the week, the dollar was stronger in relation to the euro due to optimism regarding the U.S.-China trade agreement, as the President Trump stated during his visit to Texas that great deals would be made with respect to the trade with China and that he didn't want this country to have "a hard time". The possibility that the U.S. may prolong the deadline for trade negotiations with China which expires on the 1st of March pushed investors towards more risky funds, thus reducing the dollar demand on Tuesday. On Wednesday, the exchange rate fell again due to poor data coming from the euro area (in December the industrial output recorded a monthly decline of 0.9%, capital goods recorded a monthly decline of 1.5%, GDP in Germany remained unchanged in Q4). The news of the potential elections in Spain which would take place on 28th of April did not go in favour of the European currency. During the last two days the EUR / USD exchange rate fluctuated as U.S. economic data was published (in December retail sales recorded a decline of 1.2% m-o-m; industrial output also recorded a decline of 0.6% during this period).

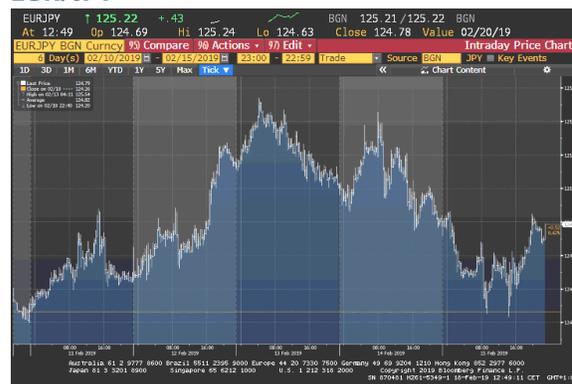
EUR/GBP



Source: Bloomberg LP

At the beginning of the week, the EUR / GBP exchange rate recorded a mild upward trend as a result of Brexit related concerns, as well as due to the publishing of information that the British economy grew by 0.2 percent in Q4 2018, which is lower than expected (0.3%). On Wednesday, the EUR/GBP exchange rate fell briefly due to speculation that lawmakers have serious doubts between Prime Minister Theresa May's agreement and the extension of the deadline for leaving the euro block scheduled for March 29. However, on the next day the sterling was under pressure as an amendment was rejected in the Parliament which was supposed to give support to the British Prime Minister regarding the Brexit deal, leaving the Prime Minister May with two-week deadline to secure her Brexit deal. On the last day, encouraging data regarding British retail helped Pound Sterling recover.

EUR/JPY



Source: Bloomberg LP

At the beginning of the week, the volatility of the EUR / JPY exchange rate was not high, as markets in Japan were shut down due to the National Foundation Day holidays, but the exchange rate had an upward tendency due to the recovery in the price of shares on the remaining Asian markets. In the second half of the week, the exchange rate recorded a downward trend as demand for safe assets was increased following the announcement that retail trade in the US had fallen. The announcement that economic growth in Japan during Q4 last year amounted to 1.4% was an additional reason for strengthening the yen. On Friday, the exchange rate did not record major changes in its movement.

Table 1 - Exchange rates of the most important currencies

	11 February 2019 ¹	15 February 2019 ²	% Change
EUR/USD	1,1323	1,12960	0,238
EUR/GBP	0,87405	0,87621	-0,247
EUR/JPY	124,260	127,780	-2,833
EUR/AUD	1,59736	1,58152	0,992
EUR/CHF	1,13292	1,13532	-0,212
USD/JPY	109,780	110,470	-0,629
GBP/USD	1,29440	1,28890	0,238

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%	7 March 2019
Federal Reserves	Federal Funds Target Rate	2.50%	20 March 2019
Bank of Japan	Overnight Call Rate	-0.10%	15 March 2019
Bank of England	Official Bank Rate	0.75%	21 March 2019
Swiss National Bank	"Libor Target Rate"	-0.75%	21 March 2019
Bank of Canada	Target Overnight Rate	1.75%	6 March 2019
Reserve Bank of Australia	Cash Rate Target	1.50%	5 March 2019

Table 3 - Eonia and Euribor

	11.02.2019. ³	15.02.2019. ⁴	Change in basis points
Eonia	-0.362	-0.369	-0.70
Euribor 1W	-0.372	-0.372	0.00
Euribor 1M	-0.368	-0.368	0.00
Euribor 3M	-0.308	-0.308	0.00
Euribor 6M	-0.233	-0.232	0.10
Euribor 12M	-0.109	-0.108	0.10

¹Opening market value on Monday

²Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

During this reporting week, yields on German government bonds recorded a decline. The increase in yields came as the prices of shares at stock exchanges around the world recovered. From the middle of the week, the yields on German government bonds started to decline as it was announced that retail sales in the United States have fallen, which had a negative impact on the stock markets in Europe and the US. During the last day, yields on these bonds failed to record any major changes. At the end of this week, yields on 10-year bonds stood at 0.10%.

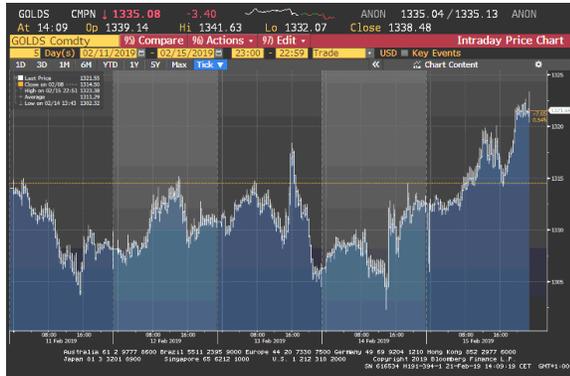
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

In the first three days of the week the US government bond yields recorded growth. The increase in yields came as the U.S. President showed flexibility in trade negotiations with China. Namely, he announced that he may extend the deadline that expires on 1st of March to reach a trade agreement with China (1st of March marks the deadline for reaching an agreement between the two countries, without which the United States would introduce tariffs at the USD 200 billion worth of goods imported to the US). Also, yield growth was also influenced by the fact that the inflation in the US increased by 1.6% in January compared to December. On Thursday, there was a sharp drop in yields on bonds of this country as it was announced that retail sales fell by 1.2% in December, which represents the biggest decline in the last nine years. On the last day of this week, yields on the US bonds slightly recovered, and the yield for the 10-year bonds was 2.66% at the end of the period.

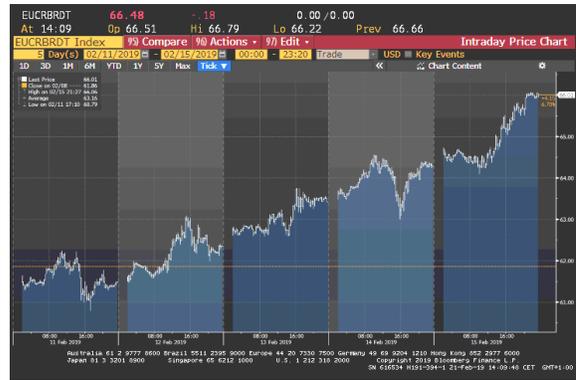
GOLD



Source: Bloomberg LP

The price of gold was stable during the first three days of this period, while in the last two days it recorded an upward trend. Over the past two days, the price of gold recovered fuelled by the announcement that retail sales in the United States recorded the largest decline in the past nine years.

OIL



Source: Bloomberg LP

The oil prices were constantly growing over the reporting period. The price of this energy generating product recovered as Saudi Arabia decreased its oil production more than agreed within OPEC. Also, the escalating crisis in Venezuela has further exerted pressure on oil prices to rise. By the end of the week, Russia's statement that it would further reduce the production of this energy generating product contributed to further increase in oil prices.

Table 4 - Economic indicators (11 February - 15 February 2019)

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	Industrial output Measures the changes in the output volume of the production, service and mining sectors.	December	-0.4%	-0.9%	-1.7%
Great Britain	Gross domestic product (GDP) One of the basic macroeconomic indicators; represents the market value of products and services produced within the country. The following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports.	Q4 2018 QoQ% YoY%	0.3% 1.4%	0.2% 1.3%	0.6% 1.5%
	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, therefore representing the key inflation measure.	January MoM% YoY%	-0.7% 1.9%	-0.8% 1.8%	0.2% 2.1%
Japan	Production price index (PPI) This indicator measures change in the price paid by domestic producers. The increase of the indicator is an early sign of inflation.	December MoM% YoY%	1.0% -0.2%	0.6% -0.6%	1.5% -0.6%
USA	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.	February 9 K=1,000	225 K	239 K	234 K
	Retail Sales This indicator measures activity related to retail trade volume (not applicable to motor vehicles and motorcycles).	December	0.0%	-1.8%	0.2%
	Industrial output Measures the changes in the output volume of the production, service and mining sectors.	January MoM%	0.1%	-0.6%	0.3%

Source: Bloomberg