

EURUSD ↓ 1.2179
 At 19:38 Op 1.2174 Hi 1.2179
 Market Value 3/21/06
 Range 3/17/05 - 3/17/06
 Upper Chart: 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 | 1.1909 |
| 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

(10 - 14 February 2020)

BLOOMBERG NEWS AUDIO/VIDEO

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

Bankinvest's Broby, Softbank, L'Oreal, Body Shop
 Daniel Broby, chief investment officer at Japanese mobile-phone unit and L'Oreal SAs purchase of Body Shop International Plc.

ICAP's Smith, U.S. and Fed Policy, Eur
 ICAP's Smith, U.S. and Fed Policy, Eur

Maguire, BOJ Policy, Japan Rate, Economy
 Societe Generale's Maguire, BOJ Policy, Japan Rate, Economy

China Airlines' Wei, Fleet Reorganization, Earnings Outlook
 China Airlines' Wei, Fleet Reorganization, Earnings Outlook

Microsoft's Ballmer, Stock Performance, Strategy, Produce
 Microsoft's Ballmer, Stock Performance, Strategy, Produce

Bear Stearns teleconference: Fiscal First Quarter Profit
 Bear Stearns teleconference: Fiscal First Quarter Profit

Thurlbell: Oil Prices, Iraq
 Thurlbell: Oil Prices, Iraq

Bloomberg TV Live | Bloomberg Radio Live | All Audio/Video Reports

| 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 Mohamed: 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 7530 7500 Germany 49 69 920410
 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 218 2000 Copyright 2006 Bloomberg L.P.
 6615-311-3 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 |

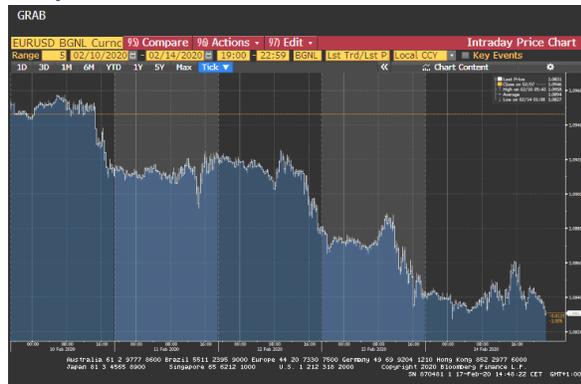
Change on day
 IYC4 I52 <GO>
 Change on Month
 IYC6 I48 <GO>
 For US Govt Yield Curve, type {IYC1 I2
 For US swap Curve, type {IYC1 I52 <G

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Podgorica, 19 February 2020

FX NEWS

EUR/USD



Source: Bloomberg LP

The **EUR/USD exchange rate** trended down during this reporting week. The euro depreciated amid investors' fears that the spread of the coronavirus corona would have significant consequences on Europe's economic growth. Moreover, investors were concerned about political uncertainty in Germany after the leader of Conservative Christians (CDU) decided not to run for the post of German Chancellor in the 2021 election. The euro also dropped due to the release of unfavourable monthly data on inflation in Germany. The USD was considered a haven, amid fears of a pandemic, as day-to-day numbers increase in the number of sick people.

EUR/GBP

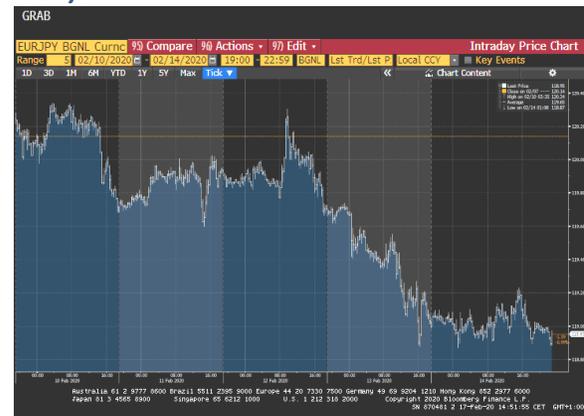


Source: Bloomberg LP

The **EUR/USD exchange rate** trended down during this reporting week. The euro depreciated amid uncertainty over the impact of the current pandemic on global economic growth. Furthermore, political

turbulence was present in Germany this week, further weakening the euro. British currency appreciated after announcing that the GDP in the UK was at zero level over the last three months of the previous year, despite Brexit uncertainty. Pound Sterling also appreciated as yields on UK government bonds rose as investors positioned themselves against higher spending budgets the following month under a new British finance ministry. This happened after the previous minister, Javid, had a heated debate with Prime Minister Johnson and his chief adviser Cummings, prompting speculation that the UK Prime Minister planned to increase investment and cut taxes to bolster support for the UK economy.

EUR/JPY



Source: Bloomberg LP

The **EUR/USD exchange rate** trended down during this reporting week. The markets in Japan were closed on Tuesday for National Foundation Day. As the week continued, the Yen strengthened against the euro as investors turned to invest in safe assets. Yen grew stronger after the release of a report from China that showed an increased number of cases of coronavirus in Hubei province after a changed counting methodology.

Table 1 - Exchange rates of the most important currencies

| | 10.02.2020 ¹ | 14.02.2020 ² | % Change |
|---------|-------------------------|-------------------------|----------|
| EUR/USD | 1.09460 | 1.0831 | -1.05 |
| EUR/GBP | 0.84918 | 0.83011 | -2.25 |
| EUR/JPY | 120.140 | 118.95 | -0.99 |
| EUR/AUD | 1.64040 | 1.61354 | -1.64 |
| EUR/CHF | 1.07010 | 1.06440 | -0.53 |
| USD/JPY | 109.750 | 109.78 | 0.03 |
| GBP/USD | 1.28920 | 1.3047 | 1.20 |

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% | 12 March 2020 |
| Federal Reserves | Federal Funds Target Rate | 1.75% | 18 March 2020 |
| Bank of Japan | Overnight Call Rate | -0.10% | 19 March 2020 |
| Bank of England | Official Bank Rate | 0.75% | 26 March 2020 |
| Swiss National Bank | Libor Target Rate | -0.75% | 19 March 2020 |
| Bank of Canada | Target Overnight Rate | 1.75% | 4 March 2020 |
| Reserve Bank of Australia | Cash Rate Target | 0.750% | 3 March 2020 |

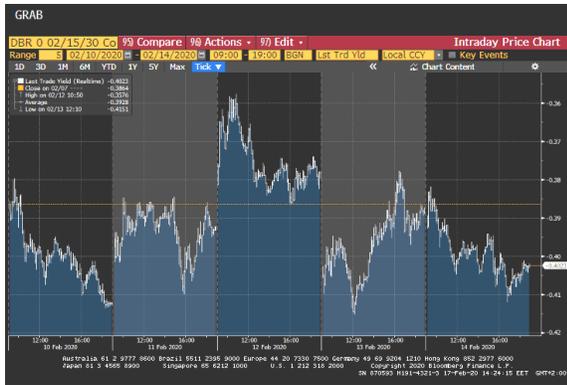
Table 3 - Eonia and Euribor

| | 10.02.2020 ¹ | 14.02.2020 ² | Change in basis points |
|-------------|-------------------------|-------------------------|------------------------|
| Eonia | -0.452 | -0.453 | -0.10 |
| Euribor 1W | -0.509 | -0.509 | 0.00 |
| Euribor 1M | -0.458 | -0.480 | -2.20 |
| Euribor 3M | -0.400 | -0.413 | -1.30 |
| Euribor 6M | -0.339 | -0.359 | -2.00 |
| Euribor 12M | -0.269 | -0.263 | 0.60 |

¹ Opening market value on Monday

² Closing market value on Friday

EUROPEAN GOVERNMENT BONDS MARKET



Source: Bloomberg LP

Throughout the week, the yield on 10-year German bonds fluctuated slightly around 6 base points. At the very beginning of the week, the yield on long-term German bonds fell due to uncertainty prevailing in the market over the spread of coronavirus and adverse effects on the economy. Subsequently, yields on these bonds recovered due to rising stock prices, as data from China showed that the coronavirus was slowly declining. Over the last two days, the yield on 10-year German bonds has fluctuated around 3 base points.

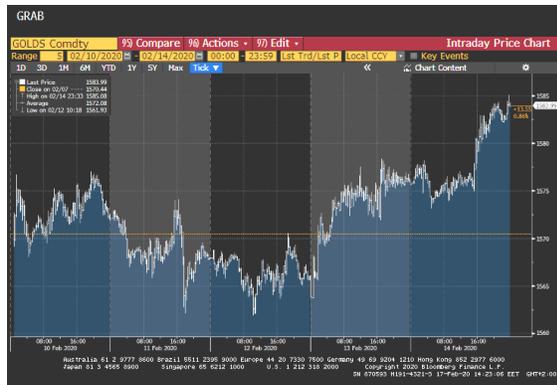
US GOVERNMENT BONDS MARKET



Source: Bloomberg LP

The yield on US 10-year government bonds had a downward trend on Monday, as investors mostly focused on developments related to the impact of the coronavirus spread. The next day, stock market recovery in the US and Europe led to an increase in yields on US bonds. At the end of the week, the yield on US bonds had a similar trend as the yield on German bonds, i.e. it fluctuated at 4 base points.

GOLD



Source: Bloomberg LP

At the beginning of the week, the price of gold did not register any significant change, to drop on Tuesday as stock prices recovered on the stock markets, reducing the demand for safe funds. The price of gold trended up over the past two days of the reporting week, after some 15,000 confirmed new cases of infected patients in the Chinese province of Hubei, due to a new counting methodology. This resulted in renewed investors' fear of the impact of this infection on global economic growth encouraging investment in less risky funds. The IMF Director stated that the lack of significant improvement in the global economic system harmed such an anaemic outlook for growth, especially after the shock caused by the coronavirus.

OIL



Source: Bloomberg LP

The oil price was on a downward trend in this reporting week. Oil price was increasing after Moscow considered a possibility to decrease oil production a day in consultation with OPEC. The World Health Organisation (WHO) also influenced the rise in price by encouraging optimism about stopping the coronavirus spread. WHO noted that new cases of infected patients do not necessarily reflect a sudden spike in the infection spread and that new cases date back several days or weeks while only the infection counting method was revised. On Friday, the price of this energy-generating product increased after reopening of factories in China, and the news that Russia was ready to support more substantial cut in the production of this energy-generating product in the coming period.

Table 4 - Economic indicators (10 - 14 February 2020)

| Country | Indicator | Period | Expected value | Current value | Previous value |
|----------------------|--|---------------------------|-----------------|-----------------|-----------------|
| Euro area | Sentix Investors' Confidence Monthly survey showing market opinion about the current economic situation and expectations for the following quarter. A higher than expected reading should be taken as positive for the euro area and the euro itself. | February | 5.7 | 5.2 | 7.6 |
| 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. | January MoM% (YoY%) | -0.6% (1.7%) | -0.6% (1.7%) | -0.6% (1.7%) |
| | Gross domestic product seasonal adjustments (GDP s.a.) 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. The following four components are used to calculate GDP: consumption, investments, government expenditure, and net exports. | Q4 2019 QoQ% | 0.1% | 0.0% | 0.2% |
| Great Britain | Gross domestic product (GDP) It is a basic macroeconomic indicator that 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 2019 QoQ% (YoY%) | 0.0% (0.8%) | 0.0% (1.1%) | 0.4% (1.1%) |
| USA | Consumer price index (CPI) Estimates changes in the cost of living by measuring changes in the prices of certain items for which the consumers allocates their money. | January MoM% (YoY%) | 0.2% (2.4%) | 0.1% 2.5% | 0.2% (2.3%) |

Source: Bloomberg