

**Original scientific article**

## INDEX OF THE CYCLE OF MONEY -THE CASE OF MONTENEGRO

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**ABSTRACT:**

This paper examines the concept of the cycle of money in an actual case scenario like the economic system of Montenegro. The calculations of the index of the cycle of money of Montenegro are compared with the global average index of the cycle of money. The results show that Montenegro is below the average global value, but it is above the critical level of 0.2, meaning that the economy can face an economic crisis. Therefore, Montenegro's results show that it is a well-structured economy and is able to deal with the economic crisis. The applied methodology stands on the analysis of the theory, mathematical, statistical, and econometrical results. The work makes analysis of the strength of Montenegro's economy in a potential crisis. These results are from a project for multiple countries and this is the only study until the present time about this country's index of the cycle of money. The period that adjusted for compilations is the global recession period of 2012 - 2017.

**KEY WORDS:**

Montenegro; Economy; Index; Cycle of money ; Analysis

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**SAŽETAK:**

Rad analizira koncept novčanog ciklusa u konkretnom scenariju kao što je ekonomski sistem Crne Gore. Proračuni indeksa novčanog ciklusa Crne Gore upoređeni su sa svjetskim prosjekom indeksa novčanog ciklusa. Rezultati pokazuju da je Crna Gora ispod prosječne globalne vrijednosti, ali je iznad kritičnog nivoa od 0,2, što znači da se privreda može suočiti sa ekonomskom krizom. Dakle, rezultati Crne Gore pokazuju da je ona dobro strukturisana ekonomija i da se može suočiti sa ekonomskom krizom. Primenjena metodologija počiva na analizi teorijskih, matematičkih, statističkih i ekonometrijskih rezultata. Naučni rad analizira snagu crnogorske privrede u potencijalnoj krizi. Predstavljeni rezultati su dio projekta u više zemalja i ovo je do danas jedina studija o indeksu novčanog ciklusa ove države. Period koji je uzet za analizu obuhvata period globalne recesije 2012-2017.

**Ključne riječi:**

Crna Gora; Ekonomij; Indeks; Novčani ciklus; Analiza;