

**FX – INTERBANK RATE:**

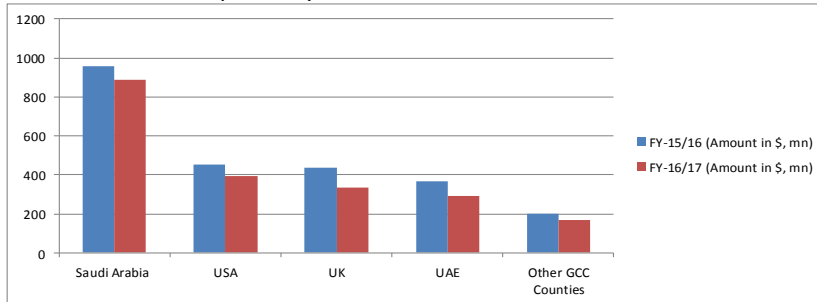
15-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.59	104.65	104.58	104.64	104.32

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.55/104.75**

**FX MARKET:**

- ✓ SBP released the data of home remittance for the month of August, 2016. According to SBP, Home remittance figure swelled / surged-up by \$432.66bn as compared to the previous month \$1.32bn to \$1.76bn. This increase is recorded due to EID occasion. For 2MFY-16/17, Home remittance slashed by \$101.64mn as compared to the same period of last fiscal year \$3.19bn to \$3.08bn. The countries from where Pakistani's remitted highest amount with their amounts are as follows: Saudi Arabia 885.95mn, USA \$393.38mn, UK \$336.25mn and UAE \$293.72mn respectively.



**MONEY MARKET:**

Last Friday, SBP conducted its 6<sup>th</sup> MTB Auction for FY16/17, where the target amount is Rs100bn while the maturity amount is Rs81.30bn. The total bid participation is recorded more than the target amount and maturity amount Rs125.53bn. The total bid participation amount is divided in 3, 6 and 12-month tenor are Rs43.54bn, Rs44.98bn and Rs37.0bn respectively. We expect that the cut-off yields remained un-changed.

6th MTB Auction Result				
As per our Expectation based on Bid Participation				
Maturity Period	Cut-off Yield	Weighted Avg Yield	Realized Value (Rs, bn)	Face Value (Rs, bn)
3-Months	<b>5.8571%</b>	5.8571%	14.943	15.145
6-Months	<b>5.9046%</b>	5.9046%	31.462	32.389
12-Months	<b>5.9148%</b>	5.9131%	31.162	33.000
<b>Total</b>			<b>77.567</b>	<b>80.534</b>

But Government accepted amount Rs80.53bn. The Government accepted amount in 3, 6 and 12-month tenors are Rs15.14bn, Rs32.38bn and Rs33.0bn respectively. As per our expectation, the cut-off yield remained un-changed.

- ✓ Today MM initiated at 5.90%-6.00% and traded whole day with in the range of 5.90%-6.00% and expected to close at same.
- ✓ Today in the bond secondary market, when issue is traded at following levels: 3-years at 6.18/16, 5-years at 6.69/66 and 10-years at 7.79/76 respectively.

USD/PKR Fx			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1075	(0.0050)	5.8%
2-WEEK	0.2150	(0.0075)	5.5%
1-MONTH	0.4150	-	5.2%
2-MONTH	0.7550	0.0050	4.9%
3-MONTH	1.1200	0.0100	5.1%
4-MONTH	1.4800	0.0250	4.5%
5-MONTH	1.8450	(0.0100)	4.5%
6-MONTH	2.1250	(0.0150)	5.3%
12-MONTH	4.3500	0.0500	5.7%

Economic Indicators			
Forex Reserves	2-Sep-16	USD bn	22.983
CPI- MoM	1-Aug-16		0.30%
CPI- YoY	1-Aug-16		3.56%
M2 Growth	FY17 YTD		-2.40%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	1MFY17	USD mn	64.3
Home Remittance	2MFY17	USD bn	3.089
Current A/C Def.	1MFY17	USD mn	591
Trade -Deficit	1MFY17	USD bn	1.588
Govt. Domestic Debt	As at 31-12-2015	Rs trn	13.188
External Dbt	As at 30-09-2015	USD bn	55.609
KSE-100 Index	8/3/2016	Pts	39,615.76

Money Market		
	15-Sep-16	
	KIBOR	PKRV
1-Month	5.70%	5.81%
3-Month	5.73%	5.79%
6-Month	5.74%	5.78%
12-Month	5.76%	5.79%

PIB'S Auction Date		
Tenor	25-Aug-16 Cut Off Yields	15-Sep-16 Bid/Ask
2-Years	-	6.00/5.93
3-Years	6.2000%	6.18/16
5-Years	6.7017%	6.67/65
10-Years	7.8005%	7.79/75

T-Bills Auction Date		
Tenor	15-Sep-16 Cut Off Yields	15-Sep-16 Bid/Ask
3-Months	5.8571%	5.86/84
6-Months	5.9046%	5.92/88
12-Months	5.9148%	5.92/89

Commodities 15-September-16		
Crude Oil Recommendation		
Technical Level	Long@	Short@
Entry level	-	-
Stop loss	-	-
Take profit	-	-

Gold Recommendation		
Technical Level	Long@	Short@
Entry level	-	-
Stop loss	-	-
Take profit	-	-