

**FX – INTERBANK RATE:**

30-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.71	104.72	104.60	104.60	104.73

**FX MARKET:**

- ✓ The exchange rate came off the highs seen yesterday as the surge in FX reserves lead players to offload their dollar holdings.
- ✓ Swaps moved inversely to the exchange rate movement as the bidders gained confidence following the more than \$700mn increase in the reserve position. While the month end effect also played its hands the lack of volume in the market along with the fact that sellers were absent from the market lead the premium to register gains across the tenors.
- ✓ SBP released the figure of total FX Reserves for the week ended 23<sup>rd</sup> September, 2016. According to SBP, Total FX Reserves are surged-up by \$720mn as compared to the previous week \$22.69bn to \$23.41bn. The break-up of total FX Reserves area as follows: SBP held FX Reserves increased by \$737.9mn from \$17.65bn to \$18.39bn while FX Reserves held in other banks fell by \$17.8mn from \$5.04bn to \$5.02bn. The increase in reserves is mainly attributed to GOP inflow of \$700mn from China Development Bank.
- ✓ Yesterday, The China-led Asian Infrastructure Investment Bank (AIIB) approved loans \$320mn to energy projects aiming to ease severe power shortages in Myanmar and Pakistan.

**MONEY MARKET:**

- ✓ Today PBS released the data of weekly inflation for the week ended 29<sup>th</sup> September, 2016. According to PBS, SPI is tad higher as compared to the last week 218.75bps to 218.82bps.
- ✓ Today SBP conducted 7-Days OMO (Injection), where total amount offered was Rs1.15trn from which the amount accepted was Rs1.14trn at 5.81%.
- ✓ Today MM initiated at 5.80%-6.00% and traded whole day with in the range of 5.80%-6.00% and expected to close at same.

**COMMODITY MARKET:**

- ✓ **GOLD:** Gold traded lower falling to a fresh 1-week low as investors digested better than expected U.S. economic data. Yellow metal is currently trading at \$1,326.46 per ounce.
- ✓ **CRUDE:** Crude oil declined as the initial euphoria over a preliminary agreement on oil output faded amid doubts over how OPEC would implement such a plan. Black gold is currently trading at \$47.40 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0900	0.0400	4.9%
2-WEEK	0.1850	0.0750	4.8%
1-MONTH	0.3700	0.0250	4.7%
2-MONTH	0.7350	0.0350	4.8%
3-MONTH	1.0650	0.0450	4.9%
4-MONTH	1.4000	0.0350	4.3%
5-MONTH	1.7400	0.0350	4.3%
6-MONTH	2.0750	0.0400	5.2%
12-MONTH	4.2500	-	5.6%

Economic Indicators			
Forex Reserves	23/9/2016	USD bn	23.418
CPI- MoM	1-Aug-16		0.30%
CPI- YoY	1-Aug-16		3.56%
M2 Growth	FY17 YTD		-0.48%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	2MFY17	USD mn	112.6
Home Remittance	2MFY17	USD bn	3.089
Current A/C Def.	2MFY17	USD bn	1.316
Trade -Deficit	2MFY17	USD bn	4.367
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	9/28/2016	Pts	40,334.80

Money Market			30-Sep-16	
	KIBOR		PKRV	
1-Month	5.75%		5.88%	
3-Month	5.79%		5.89%	
6-Month	5.81%		5.91%	
12-Month	5.86%		5.92%	

PIB'S Auction Date			
Tenor	22-Sep-16	30-Sep-16	
	Cut Off	Yeilds	Bid/Ask
2-Years	-		6.08/04
3-Years	6.1970%		6.20/18
5-Years	6.7010%		6.72/70
10-Years	7.7995%		7.81/78

T-Bills Auction Date			
Tenor	29-Sep-16	30-Sep-16	
	Cut Off	Yeilds	Bid/Ask
3-Months	5.8571%		5.88/85
6-Months	5.9046%		5.92/90
12-Months	5.9148%		5.93/91

**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	-	-