

FX – INTERBANK RATE:

5-Oct	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.55	104.57	104.54	104.55	104.56

FX MARKET:

- ✓ The exchange rate showed no major movement during the day trading.
- ✓ Swaps moved up slightly during the day as the money market liquidity also eased up and the overnight was seen trading at 5.5% up from 4.5% that had been prevalent for the last few days. The market rally from the low premiums seen last week has continued as the record high FX reserves gave the bidders an opportunity to add on the new positions at extremely low yields, while the sellers appear to have taken a back seat. Given the rupee liquidity needs for the week ahead, the premiums are expected to remain elevated ahead of the holidays next week.

- ✓ Yesterday, RBI cut interest rate by 25bps from 6.50% to a 6-year low at 6.25%.

MONEY MARKET:

- ✓ SBP released the numbers of M2 Growth for the week ended 23rd September, 2016. According to SBP, M2 posted a negative growth by 0.75% on YoY basis.
- ✓ Yesterday, SBP conducted 3-Days OMO (Mop-Up), where total amount offered was Rs93.75bn from which the amount accepted was Rs35.5bn at 5.65%.
- ✓ Today MM initiated at 5.00%-5.25% and traded whole day with in the range of 5.00%-5.50% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-year at 6.23/20, 5-year at 6.73/70 and 10-year at 7.84/80 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower as a stronger U.S. dollar following recent upbeat U.S. data continued to weigh on the precious metal. Yellow metal is currently trading at \$1,273.43 per ounce.
- ✓ **CRUDE:** Crude oil declined weighed by a stronger U.S. dollar but the commodity remained supported as the oil production freeze deal announced last week by OPEC continued to boost investors' confidence. Black gold is currently trading at \$49.47 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1100	0.0050	5.9%
2-WEEK	0.1825	0.0125	4.7%
1-MONTH	0.4100	0.0450	5.1%
2-MONTH	0.7500	0.0050	4.9%
3-MONTH	1.0850	0.0200	5.0%
4-MONTH	1.4400	0.0150	4.4%
5-MONTH	1.7650	-	4.4%
6-MONTH	2.0900	0.0150	5.2%
12-MONTH	4.2500	-	5.6%
Economic Indicators			
Forex Reserves	23/9/2016	USD bn	23.418
CPI- MoM	1-Sep-16		0.30%
CPI- YoY	1-Sep-16		3.88%
M2 Growth	FY17 YTD		-0.75%
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	10/3/2016	Pts	40,986.31
Money Market		5-Oct-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	05-Oct-16
		Cut Off Yields	Bid/Ask
2-Years	-	-	6.10/04
3-Years	6.1970%		6.22/19
5-Years	6.7010%		6.72/70
10-Years	7.7995%		7.82/79
T-Bills		Auction Date	
	Tenor	29-Sep-16	05-Oct-16
		Cut Off Yields	Bid/Ask
3-Months	5.8571%		5.88/84
6-Months	5.9046%		5.90/88
12-Months	5.9148%		5.92/90
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	-		-