

FX – INTERBANK RATE:

9-Jun	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.46	104.47	104.40	104.40	104.53

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.35/104.45**

FX MARKET:

- ✓ The USDPKR slipped lower again today as the rupee strength continues with the seasonal inflows. The rupee strength is more pronounced this time round as the exchange rate has remained stable for the last few months and hence with inflows expected, it appears that many players are front running short positions in expectations of the expected flows.
- ✓ Swaps activity was muted today as the rally of the last few days appears to have run its course and now most players appear to be taking a breather, as the current swap premiums are not attractive to buyers are sellers.
- ✓ China will provide loan for \$8.5bn to Pakistan for upgrading a main line of the Pakistan Railways to smoothen the China Pakistan Economic Corridor (CPEC) traffic and construction of a gas pipeline.

MONEY MARKET:

- ✓ Yesterday SBP held its 24th MTB auction where target amount is Rs100bn and the maturity amount is Rs44.73bn. But Government accepted Rs137.15bn out of the total bid participation Rs394.64bn which is recorded almost 4-times higher from the target amount. The Government accepted amount in 3, 6 and 12-month are Rs11.9bn, Rs60bn and Rs65.25bn respectively. The cut-off yield slightly fell as in 3 and 6-month tenors by 4-bps and in 12-month tenor by 3-bps from 5.99% to 5.95%, 6.01% to 5.97% and 6.03% to 6.00% respectively.
- ✓ Today SBP conducted 8-Days OMO (Injection), where total amount offered was Rs281bn from which the amount accepted was Rs191bn at 5.79%.
- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.60%-6.10% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.43/38, 6.93/91 and 8.01/7.96 respectively.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1100	(0.0050)	5.9%
2-WEEK	0.2175	(0.0025)	5.6%
1-MONTH	0.4550	0.0100	5.6%
2-MONTH	0.8200	(0.0100)	5.2%
3-MONTH	1.2200	-	5.3%
4-MONTH	1.6100	0.0300	4.8%
5-MONTH	1.9550	(0.0200)	4.8%
6-MONTH	2.3000	(0.0300)	5.3%
12-MONTH	4.6000	-	5.7%

Economic Indicators			
Forex Reserves	26-May-16	USD bn	21.601
CPI- MoM	1-May-16		0.20%
CPI- YoY	1-May-16		3.17%
M2 Growth	FY16 YTD		6.93%
SBP Target Rate	FY16 YTD		5.75%
SBP Discount Rate	FY16 YTD		6.25%
FDI	10MFY16	USD bn	1.016
Home Remittance	10MFY16	USD bn	16.034
Current A/C Def.	10MFY16	USD bn	1.510
Trade -Deficit	10MFY16	USD bn	16.214
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	5/2/2016	Pts	34,567.52

Money Market			9-Jun-16	
	KIBOR		PKRV	
1-Month	5.74%		5.90%	
3-Month	5.86%		5.93%	
6-Month	5.90%		5.95%	
12-Month	5.95%		5.98%	

PIB'S Auction Date		
Tenor	19-May-16	09-June-16
	Cut Off Yields Bid/Ask	
2-Years	-	6.18/15
3-Years	6.5492%	6.37/35
5-Years	6.9997%	6.93/91
10-Years	8.1804%	8.00/7.96

T-Bills Auction Date		
Tenor	09-June-16	09-June-16
	Cut Off Yields Bid/Ask	
3-Months	5.9463%	5.90/85
6-Months	5.9684%	5.95/90
12-Months	6.0048%	5.98/95

Commodities 6/9/2016

Gold Recommendation		
Level	Long@	Short@
Entry level	-	1255
Stop loss	-	1275
Take profit	-	1225

Crude Recommendation		
Level	Long@	Short@
Entry level	46.5	-
Stop loss	45	-
Take profit	48.5	-