

FX – INTERBANK RATE:

15-Jun	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.64	104.64	104.55	104.60	104.66

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.50/104.70**

FX MARKET:

✓ Yesterday, MSCI announced its decision to re-classify Pakistan in the Emerging Market (EM) Index. The actual re-classification of the index will follow next year.

MONEY MARKET:

✓ SBP released the numbers of M2 Growth for the week ended 3rd June, 2016. According to SBP, M2 figure posted a positive growth by 7.51% on YoY basis.

✓ Today SBP conducted its 12th PIB auction for FY16, where the target amount is Rs100bn while the maturity amount is Rs2.11bn. While the total bid participation is recorded Rs219.09bn more than double from the target amount. The bid participation is recorded in 3, 5 and 10-year periods are as follows: 3-year Rs112.07bn, 5-years Rs67.04bn and 10-years Rs39.61bn respectively while no bid participation is recorded in 20-years period. We expect drop in cut-off yields.

✓ Today MM initiated at 4.25%-4.50% and traded whole day with in the range of 4.25%-5.00% and expected to close at same.

✓ **COMMODITY MARKET:**

✓ **GOLD:** Gold traded higher amid concerns of a potential British exit from the EU and fuelled by expectations that the US FED will not raise interest rate in today's meeting. Yellow metal is currently trading at \$1,281.41 per ounce.

✓ **CRUDE:** Crude oil fell after the API reported that US oil inventories unexpectedly rose by 1.2mn barrels. Black gold is currently trading at \$48.22 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1025	(0.0100)	5.5%
2-WEEK	0.2075	(0.0100)	5.3%
1-MONTH	0.4000	(0.0250)	4.9%
2-MONTH	0.8300	(0.0100)	5.2%
3-MONTH	1.1700	(0.0500)	5.1%
4-MONTH	1.5650	(0.0200)	4.7%
5-MONTH	1.9150	(0.0300)	4.7%
6-MONTH	2.2550	(0.0300)	5.2%
12-MONTH	4.6000	-	5.7%

Economic Indicators			
Forex Reserves	3-Jun-16	USD bn	21.266
CPI- MoM	1-May-16		0.20%
CPI- YoY	1-May-16		3.17%
M2 Growth	FY16 YTD		7.51%
SBP Target Rate	FY16 YTD		5.75%
SBP Discount Rate	FY16 YTD		6.25%
FDI	10MFY16	USD bn	1.016
Home Remittance	11MFY16	USD bn	17.841
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	6/14/2016	Pts	34,567.52

Money Market			15-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	15-June-16
	Cut Off Yields	Bid/Ask
2-Years	-	6.17/15
3-Years	6.5492%	6.38/37
5-Years	6.9997%	6.92/86
10-Years	8.1804%	8.04/8.00

T-Bills Auction Date		
Tenor	09-June-16	15-June-16
	Cut Off Yields	Bid/Ask
3-Months	5.9463%	5.85/80
6-Months	5.9684%	5.96/90
12-Months	6.0048%	5.98/92

Commodities			6/13/2016
Gold Recommendation			
Level	Long@	Short@	
Entry level	1255	1290	
Stop loss	1225	1310	
Take profit	1275	1250	

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