

FX – INTERBANK RATE:

| 18-Jan | OPEN | HIGH | LOW | CLOSE | Last Day Close |
|--------|--------|--------|--------|--------|----------------|
| READY | 104.85 | 104.85 | 104.84 | 104.84 | 104.85 |

FX MARKET:

- Swaps started the day on a bid tone with most premiums up as rupee liquidity was sought after ahead of the T-Bill auction. 1-month was at 24paisas, 2-months at 44paisas and 3-months at 65paisas. 6-month saw bids at Rs1.24 up from sub Rs1.20 yesterday, however the market was soon offered with the market offer seen at Rs1.19 at day end.

MONEY MARKET:

- Today SBP held its 15th MTB Auction for FY-16/17, where the target amount is Rs450bn and the maturity amount is above from the target amount Rs495bn. While the total bid participation amount is recorded more than 2-times higher from the target and maturity amount Rs1.105trn. The total bid participation amount is divided in 3, 6 and 12-month tenor Rs269.11bn, Rs629.21bn and Rs206.70bn respectively. We expect cut-off yields will drop in 3, 6 and 12-month tenors by 5bps, 6bps and 5bps respectively.

15th 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 | 5.9017% | 5.8821% | 148.376 | 150.385 |
| 6-Months | 5.9258% | 5.9033% | 266.182 | 274.018 |
| 12-Months | 5.9372% | 5.9235% | 81.203 | 86.000 |
| Total | | | 495.761 | 510.403 |

- Today MM initiated at 5.75%-5.90% and traded whole day with in the range of 5.75%-5.90% and expected to close at same.
- Today in bond secondary market, when issue traded in 3, 5 and 10-year period at 6.36/32, 7.05/6.95 and 8.25/17 respectively.

COMMODITIES MARKET:

- GOLD:** Gold traded higher the longest stretch of gains since November, as the U.S. dollar plunged amid lingering uncertainty over Trump's economic policies. Yellow metal is currently trading at \$ per ounce.
- CRUDE OIL:** Crude oil advanced after the U.S. dollar index fell more than 1%, as a weaker dollar normally is positive for crude prices with the commodity dominated in greenbacks. Black gold is currently trading at \$ per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

| Date | Events | Actual | Forecast | Previous |
|---------|---|---------|----------|----------|
| 17-1-17 | GBP Consumer Price Index (MoM) (DEC) | 0.50% | 0.30% | 0.20% |
| 17-1-17 | GBP Consumer Price Index (YoY) (DEC) | 1.60% | 1.40% | 1.20% |
| 17-1-17 | GBP Core Consumer Price Index (YoY) (DEC) | 1.60% | 1.40% | 1.40% |
| 17-1-17 | EUR German ZEW Survey (Economic Sentiment) (JAN) | 16.6 | 18.4 | 13.8 |
| 17-1-17 | EUR German ZEW Survey (Current Situation) (JAN) | 77.3 | 65 | 63.5 |
| 17-1-17 | EUR Euro-Zone ZEW Survey (Economic Sentiment) (JAN) | 23.2 | | 18.1 |
| 17-1-17 | GBP UK Prime Minister May Speaks on Her Brexit Approach | | | |
| 17-1-17 | NZD Dairy Auction Avg. Winning Price MT (JAN 17) | \$3,517 | | \$3,463 |
| 17-1-17 | NZD Dairy Auction Whole Milk Powder MT (JAN 17) | \$3,283 | | \$3,294 |
| 18-1-17 | AUD Westpac Consumer Confidence (JAN) | 0.10% | | -3.90% |

Source: www.dailyfx.com

| PERIOD | SWAP | Change in Premiums | Swap Implied PKR Yield |
|----------|--------|--------------------|------------------------|
| 1-WEEK | 0.0547 | 0.0144 | 3.4% |
| 2-WEEK | 0.1100 | 0.0250 | 3.5% |
| 1-MONTH | 0.2437 | 0.0320 | 3.5% |
| 2-MONTH | 0.4188 | 0.0305 | 3.3% |
| 3-MONTH | 0.6062 | 0.0127 | 3.4% |
| 4-MONTH | 0.8024 | 0.0084 | 3.5% |
| 5-MONTH | 1.0063 | 0.0032 | 3.5% |
| 6-MONTH | 1.1879 | (0.0054) | 3.6% |
| 12-MONTH | 2.9351 | (0.0037) | 4.5% |

ECONOMIC INDICATOR

| | | | |
|---------------------|------------------|---------|-----------|
| Forex Reserves | 30-Dec-16 | USD bn | 23.163 |
| CPI- MoM | 1-Dec-16 | | -0.68% |
| CPI- YoY | 1-Dec-16 | | 3.70% |
| M2 Growth | FY17 YTD | | 5.45% |
| SBP Target Rate | FY17 YTD | | 5.75% |
| SBP Discount Rate | FY17 YTD | | 6.25% |
| FDI | 6MFY17 | USD bn | 1.08 |
| Home Remittance | 6MFY17 | USD bn | 9.458 |
| Current A/C Def. | 5MFY17 | USD bn | 2.601 |
| Trade -Deficit | 5MFY17 | USD bn | 10.019 |
| Kerb USD/PKR | 1817/2017 | Bid/Ask | 108.30/65 |
| Govt. Domestic Debt | As at 31-08-2016 | Rs tm | 14.554 |
| External Debt | As at 30-06-2016 | USD bn | 72.978 |
| MSCI-EM Index | 1817/2017 | Pts | 898.52 |
| PSX-100 Index | 18/1/2017 | Pts | 48,657.44 |

| DATA | 3-MONTH | 6-MONTH | 12-MONTH |
|--------------|----------|----------|----------|
| LIBOR 16-Jan | 1.02372% | 1.33294% | 1.70178% |

| Money Market | | | 18-Jan-17 |
|--------------|-------|-------|-----------|
| Tenor | KIBOR | PKRV | |
| 1-Month | 5.74% | 5.89% | |
| 3-Month | 5.84% | 5.90% | |
| 6-Month | 5.86% | 5.92% | |
| 12-Month | 5.91% | 5.94% | |

| PIB'S Auction Date | | |
|--------------------|----------------|-----------|
| Tenor | 22-Sep-16 | 18-Jan-17 |
| | Cut Off Yields | Bid/Ask |
| 2-Years | - | 6.04/6.00 |
| 3-Years | 6.1970% | 6.20/18 |
| 5-Years | 6.7010% | 6.91/89 |
| 10-Years | 7.7995% | 8.13/8.00 |

| T-Bills Auction Date | | |
|----------------------|----------------|-----------|
| Tenor | 05-Jan-17 | 18-Jan-17 |
| | Cut Off Yields | Bid/Ask |
| 3-Months | 5.9465% | 5.89/85 |
| 6-Months | 5.9895% | 5.90/88 |
| 12-Months | 5.9931% | 5.93/90 |

| PMEX FUTURE CONTRACTS | | | | | 18/1/2017 |
|-----------------------|---------|---------|---------|---------|-------------|
| COMMODITIES | P (L/S) | E-L | T-P | S-L | YTD P & L % |
| CRUDE-OIL | | | | | |
| SILVER | | | | | |
| BRENT-OIL | | | | | |
| GOLD USD | S | 1213.00 | 1180.00 | 1230.00 | 3.51% |
| GOLD-EUR/USD | | | | | 1.92% |
| GOLD-GBP/USD | | | | | |
| GOLD-USD/IPY | | | | | 4.48% |
| GOLD-USD/CAD | | | | | 2.44% |
| GOLD-USD/CHF | | | | | |
| GOLD-AUD/USD | | | | | |

P= POSITION L= LONG S= SHORT P= PROFIT L= LOSS
 TP= TAKE PROFIT SL= STOP LOSS YTD= YEAR TO DATE