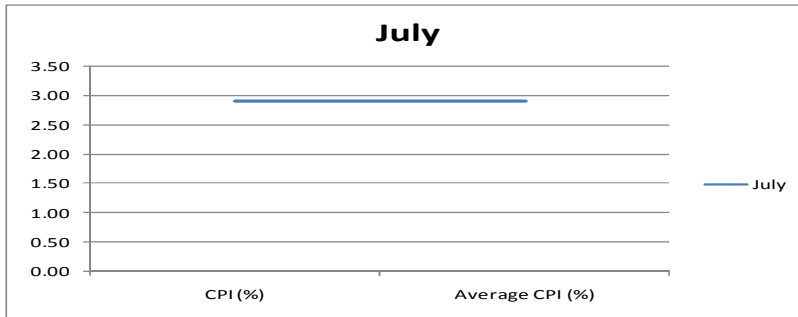


FX – INTERBANK RATE:

2-AUG	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	105.40	105.41	105.39	105.40	105.40

MONEY MARKET:

- ✓ Yesterday PBS released the data of CPI for the month of July, 2017. According to PBS, CPI increased by 2.89% on YoY basis recorded more than 1.0% lower from last month and also our expectation. On MoM basis, CPI increased by 0.30% as compared to the decrease of 0.40% last month. CPI Inflation is measured by following items: CPI Core NFNE increased by 5.6% and CPI Core Trimmed increased by 4.0% on YoY basis. The average inflation for 1MFY-17/18 is recorded at 2.89%.



- ✓ Today SBP held 3rd MTB Auction for FY-17/18, where target amount is Rs650bn while the maturity amount is Rs636.62bn. The total bid participation is recorded more from the target and maturity amount is Rs752.36bn. The Bid participation is divided in 3, 6 and 12month Rs591.73bn, Rs137.34bn and Rs23.29bn respectively. We expect that the 3rd MTB cut-off yields of all tenors remained un-changed.

3rd 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	5.9910%	5.9902%	567.219	575.038
6-Months	6.0109%	6.0093%	129.228	133.090
12-Months	6.0386%	6.0386%	16.072	17.040
Total			712.519	725.168

- ✓ Today MM initiated at 5.85 % and traded whole day within the range of 5.85%-5.90% and closed at 5.80.

USD/PKR For			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0937	0.0024	5.83%
2-WEEK	0.1850	0.0300	5.78%
1-MONTH	0.3788	0.0477	5.47%
2-MONTH	0.6216	(0.0043)	4.91%
3-MONTH	0.8601	0.0010	4.62%
4-MONTH	1.1486	0.0081	4.67%
5-MONTH	1.4073	(0.0012)	4.59%
6-MONTH	1.6988	0.0044	4.71%
12-MONTH	3.1687	0.0065	4.73%

ECONOMIC INDICATOR			
Forex Reserves	21-7-17	USD bn	20.436
CPI- MoM	1-Jun-17		3.93%
CPI- YoY	1-Jun-17		-0.40%
M2 Growth	FY-17/18 YTD		-1.19%
SBP Target Rate	FY-17/18 YTD		5.75%
SBP Discount Rate	FY-17/18 YTD		6.25%
FDI	FY-16/17	USD bn	2.41
Home Remittance	FY-16/17	USD bn	19.303
Current A/C Def.	FY-16/17	USD bn	12.098
Trade -Deficit	FY-16/17	USD bn	30.458
Kerb USD/PKR	31-Jul-17	Bid/Ask	107.20/50
Govt. Domestic Debt	As at 30-11-2016	Rs trn	14.645
External Debt	As at 30-09-2016	USD bn	74.638
MSCI-EM Index	2-Aug-17	Pts	1070.36
PSX-100 Index	2/8/2017	Pts	46,949.09

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 1-Aug	1.31056%	1.45167%	1.72567%

Money Market		
Tenor	KIBOR	PKRV
1-Month	5.77%	5.91%
3-Month	5.82%	5.94%
6-Month	5.87%	5.97%
12-Month	5.90%	5.99%

PIB'S Auction Date		
Tenor	23-Feb-17	2-August-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.21/18
3-Years	6.4074%	6.41/40
5-Years	6.8998%	7.05/7.00
10-Years	7.9414%	8.15/05

T-Bills Auction Date		
Tenor	3-August-17	2-August-17
	Cut Off Yields	Bid/Ask
3-Months	5.9910%	5.99/98
6-Months	6.0103%	6.01/6.00
12-Months	6.0386%	6.04/6.01