

**FX – INTERBANK RATE:**

20-Jun	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.73	104.79	104.73	104.75	104.70

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.70/104.85**

**FX MARKET:**

- ✓ The exchange rate moved up today.
- ✓ Swaps started the day with premiums lower as the demand for the greenback picked up for the routine start of the week oil payments. Activity was limited to the 1-month tenor and maximum activity was seen up to the 2-months tenor. The market did rebound from the lows seen during the day with the 2-months trading at Rs0.81. With market trading activity slowing down, it appears that 1-major player can move markets given the lack of market activity, thus causing the premium swings.
- ✓ On Friday, SBP released the figure of total FX Reserves for the week ended 9<sup>th</sup> June, 2016. According to SBP, Total FX Reserves was surged by \$148.5mn as compared to the last week \$21.26bn to \$21.41bn. The break-up of total FX Reserves were as under: SBP held FX Reserves increased by \$83.6mn from \$16.46bn to \$16.54bn while FX Reserves held in other banks also rose by \$64.9mn from \$4.80bn to \$4.86bn.
- ✓ On Friday, SBP released the data of FDI for the month of May, 2016. According to SBP, FDI for the month of May stood at \$64.3mn. For 11-MFY15/16, FDI surged by \$103.3mn as compared to the same period of last fiscal year \$980.3mn to \$1.08bn. The countries which directly invested in Pakistan with their amount were as follows: China \$571.2mn, U.A.E \$151.0mn, Hong Kong \$130.6mn, Italy \$92.7mn and Switzerland \$74.5mn respectively.

**MONEY MARKET:**

- ✓ On Friday, PBS released the data of weekly inflation for the week ended 16<sup>th</sup> June, 2016. According to PBS, SPI fell by 0.38% as compared to previous week 217.10bps to 216.27bps.
- ✓ On Friday, SBP conducted 7-Day OMO (Injection), where total amount offered has been accepted Rs1.56trn at 5.79%.
- ✓ Today MM initiated at 5.50%-6.00% and traded whole day with in the range of 5.50%-5.80% and expected to close at same.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0975	(0.0100)	5.3%
2-WEEK	0.1925	(0.0175)	5.0%
1-MONTH	0.3850	(0.0200)	4.8%
2-MONTH	0.8125	0.0175	5.1%
3-MONTH	1.1900	(0.0400)	5.2%
4-MONTH	1.5500	(0.0100)	4.6%
5-MONTH	1.9200	(0.0250)	4.7%
6-MONTH	2.2650	(0.0300)	5.2%
12-MONTH	4.6000	-	5.6%

Economic Indicators			
Forex Reserves	10-Jun-16	USD bn	21.415
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	11MFY16	USD bn	1.083
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	6/17/2016	Pts	38,760.61

Money Market 20-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	16-June-16	20-June-16
	Cut Off Yields	Bid/Ask
2-Years	-	6.15/10
3-Years	6.4068%	6.23/22
5-Years	6.9092%	6.75/73
10-Years	8.0197	7.81/78

T-Bills Auction Date		
Tenor	09-June-16	20-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	-