

**FX – INTERBANK RATE:**

26-Jan	OPEN	HIGH	LOW	CLOSE	Last Day Close
<b>READY</b>	<b>104.85</b>	<b>104.86</b>	<b>104.84</b>	<b>104.84</b>	<b>104.86</b>

**FX MARKET:**

- Swaps traded on the lower side despite early morning short term attempts to move higher, remained short lived as upticks in the premiums were met with renewed selling pressure. With the markets still trading at close to 8-year lows, volumes remained lighter than normal as both buyers and sellers are apprehensive about building on their positions.

**MONEY MARKET:**

- Yesterday SBP held its 7<sup>th</sup> PIB Auction for FY-16/17, where the target amount is Rs50bn while the maturity amount is double from the target amount Rs116bn. The total bid participation is recorded more than 2-times higher from the target amount Rs134.47bn. The Govt borrowed amount in 3, 5 and 10-years are Rs28.3bn, Rs10.0bn and Rs1.0bn respectively. The PIB's cut-off yield for 3, 5 and 10-years rose by 20, 20 and 14bps in comparison with our expectation that the PIB'S cut-off yields will rise by 20, 35 and 40bps respectively.
- Today SBP conducted 1-Day OMO (Injection), where total amount offered was Rs115bn out of which the amount accepted was Rs75bn
- Today MM initiated at %-% and traded whole day within the range of %-% and expected to close at same.

**COMMODITIES MARKET:**

- GOLD:** Gold traded lower as investor's race into shares and gets set for expected rate hikes by the Fed this year and potential tax cuts and higher spending under the administration led by President Donald Trump. Yellow metal is currently trading at \$52.95 per ounce.
- CRUDE OIL:** Crude oil advanced driven up by a weakening dollar, but gains were capped by plentiful supplies and inventories despite an effort by OPEC and other producers to cut output and prop up the market. Black gold is currently trading at \$1194.50 per barrel.

**WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS**

Date	Events	Actual	Forecast	Previous
25-1-17	CHF UBS Consumption Indicator (DEC)	1.50%		1.43
25-1-17	EUR German IFO - Business Climate (JAN)	109.8	111.3	111
25-1-17	EUR German IFO - Expectations (JAN)	103.2	105.8	105.5
25-1-17	EUR German IFO - Current Assessment (JAN)	116.9	116.9	116.7
25-1-17	GBP CBI Business Optimism (JAN)	15	-8	-8
25-1-17	USD MBA Mortgage Applications (JAN 20)	4.00%		0.80%
25-1-17	GBP Bank of England Bond Buying Operation			
25-1-17	CHF SNB's Jordan, Mexico's Carstens Speak in Wiesbaden, Germany			
26-1-17	CAD CFIB Business Barometer (JAN)	60.7		
26-1-17	NZD Consumer Prices Index (QoQ) (4Q)	0.40%	0.30%	0.30%
26-1-17	NZD Consumer Prices Index (YoY) (4Q)	1.30%	1.20%	0.40%
26-1-17	NZD RBNZ Governor Wheeler Speaks in Christchurch (Not public)			
26-1-17	JPY Corporate Service Price (YoY) (DEC)	0.40%	0.30%	0.30%
26-1-17	JPY Japan Buying Foreign Bonds (Yen) (JAN 20)	-		¥334.9b
26-1-17	JPY Japan Buying Foreign Stocks (Yen) (JAN 20)	-¥19.1b		¥49.8b
26-1-17	JPY Foreign Buying Japan Bonds (Yen) (JAN 20)	-		¥517.2b
26-1-17	JPY Foreign Buying Japan Stocks (Yen) (JAN 20)	-		¥238.9b
26-1-17	CNY Industrial Profits (YoY) (DEC)	2.30%		14.50%

Source: www.dailycm.com | Saima Trade Tower 8<sup>th</sup> Floor, 11 Chundrigar Road, Karachi, Pakistan. Tel: +92-21-3265171

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0374	(0.0074)	2.6%
2-WEEK	0.0950	(0.0050)	3.1%
1-MONTH	0.1882	(0.0235)	2.9%
2-MONTH	0.3507	(0.0218)	2.9%
3-MONTH	0.5005	(0.0234)	3.0%
4-MONTH	0.6283	(0.0330)	3.0%
5-MONTH	0.7862	(0.0108)	3.0%
6-MONTH	0.9564	(0.0087)	3.2%
12-MONTH	2.3525	(0.0296)	4.0%

ECONOMIC INDICATOR			
Forex Reserves	13-Jan-17	USD bn	23.191
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	1HFY17	USD bn	1.08
Home Remittance	1HFY17	USD bn	9.458
Current A/C Def.	1HFY17	USD bn	3.585
Trade -Deficit	1HFY17	USD bn	12.528
Kerb USD/PKR	26/1/2017	Bid/Ask	107.50/90
Govt. Domestic Debt	As at 31-08-2016	Rs trn	14.554
External Debt	As at 30-06-2016	USD bn	72.978
MSCI-EM Index	26/1/2017	Pts	918.13
PSX-100 Index	26/1/2017	Pts	49,978.85

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 24-Jan	1.03178%	1.34572%	1.70733%

Money Market		
Tenor	KIBOR	PKRV
1-Month	5.74%	5.88%
3-Month	5.84%	5.87%
6-Month	5.86%	5.89%
12-Month	5.91%	5.90%

PIB'S Auction Date		
Tenor	26-Jan-17	26-Jan-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.22/15
3-Years	6.4074%	6.38/34
5-Years	6.8998%	7.00/6.88
10-Years	7.9414%	8.10/8.00

T-Bills Auction Date		
Tenor	19-Jan-17	26-Jan-17
	Cut Off Yields	Bid/Ask
3-Months	5.9017%	5.89/85
6-Months	5.9258%	5.89/86
12-Months	5.9598%	5.91/89

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/JPY					4.44%
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