

FX – INTERBANK RATE:

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

FX MARKET:

- ✓ The exchange rate showed no change today.
- ✓ Yesterday, Swaps moved down lower again from the year end spike in premiums, as the month end moves were reversed, with no major work seen been executed. Today the premiums remained broadly unchanged, with work seen in 1-months at Rs0.30, 2-months at Rs0.53, 3-months at Rs0.74, 5-months at Rs1.26 and 6-month trading as high as Rs1.5350.
- ✓ Pakistan has to pay \$11.5bn to various international monetary institutions during the next 18-months.
- ✓ Details of total payment are as follows: Pakistan has to pay a sum of \$8.76bn to IMF, WB and ADB. Moreover, Pakistan has to pay 160mn Saudi Riyals to IDB. Pakistan has to pay \$1.6bn to China, 192bn Yen to Japan and 625mn Euros to Paris Club.
- ✓ According to Nation Newspaper, Federal Govt. is thinking to privatize 5-Public Sector Enterprises (PSEs) in 2017.
- ✓ The top 5-PSEs that are expected to privatize as follows: Pakistan Steel Mill (PSM), Telephone Industries of Pakistan (TIP), Industrial Development Bank, Mari Petroleum Company and Kot-Addu Power Company.

MONEY MARKET:

- ✓ Today SBP held its 14th MTB Auction for FY-16/17, where the target amount is Rs200bn and maturity amount is Rs159bn. While the total bid participation amount is recorded 3-times higher from the target and maturity amount Rs653.58bn. The total bid participation amount is divided in 3, 6 and 12-month tenor Rs182.51bn, Rs361.90bn and Rs109.16bn respectively. We expect the cut-off yields of 3-months remained un-changed, 6-months down by 2bps and 12-months up by 4bps respectively.

14th 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%	5.9878%	155.968	158.118
6-Months	5.9896%	5.9758%	216.547	223.000
12-Months	5.99350%	5.9935%	23.590	25.000
Total			396.105	406.118

- ✓ Today MM initiated at 5.80%-6.00% and traded whole day with in the range of 5.80%-6.00% and expected to close at same.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Events	Actual	Forecast	Previous	
3/1/2017	CHF SVME-Purchasing Managers Index	56	56	56.6	
3/1/2017	EUR German Unemployment Change (DEC)	-17k	-5k	-6k	
3/1/2017	EUR German Unemployment Rate s.a.	6.00%	6.00%	6.00%	
3/1/2017	GBP Markit UK PMI Manufacturing SA (DEC)	56.1	53.3	53.6	
3/1/2017	EUR German Consumer Price Index (YoY)	1.70%	1.40%	0.80%	
3/1/2017	EUR German Consumer Price Index (MoM)	0.70%	0.60%	0.10%	
3/1/2017	NZD Dairy Auction Avg. Winning Price MT	\$3,463		\$3,656	
3/1/2017	NZD Dairy Auction Whole Milk Powder MT	\$3,294		\$3,568	
3/1/2017	CAD RBC Canadian Manufacturing PMI	51.8		51.5	
3/1/2017	USD Construction Spending (MoM) (NOV)	0.90%	0.50%	0.60%	
3/1/2017	USD ISM Manufacturing (DEC)	54.7	53.8	53.2	
3/1/2017	USD ISM Prices Paid (DEC)	65.5	55.5	54.5	

Source: www.dailyfx.com

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0748	(0.0052)	4.4%
2-WEEK	0.1450	-	3.8%
1-MONTH	0.3036	0.0286	4.2%
2-MONTH	0.5374	0.0424	3.8%
3-MONTH	0.7536	0.0136	3.8%
4-MONTH	1.0070	(0.0430)	3.2%
5-MONTH	1.2509	0.0209	3.2%
6-MONTH	1.5436	(0.0014)	4.2%
12-MONTH	3.5395	(0.0155)	5.1%

ECONOMIC INDICATOR			
Indicator	Period	Unit	Value
Forex Reserves	22-Dec-16	USD bn	23.286
CPI- MoM	1-Dec-16		-0.68%
CPI- YoY	1-Dec-16		3.70%
M2 Growth	FY17 YTD		2.78%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	5MFY17	USD mn	459.8
Home Remittance	5MFY17	USD bn	7.874
Current A/C Def.	4MFY17	USD bn	1.762
Trade -Deficit	4MFY17	USD bn	7.796
Kerb USD/PKR	4-Jan-17	Bid/Ask	108.20/50
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	4-Jan-17	Pts	869.02
PSX-100 Index	4/1/2017	Pts	48,918.46

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 30-Dec	0.99789%	1.31767%	1.68568%

Money Market		
Tenor	KIBOR	PKRV
1-Month	5.75%	5.90%
3-Month	5.87%	5.97%
6-Month	5.90%	6.01%
12-Month	5.95%	6.06%

PIB'S Auction Date		
Tenor	22-Sep-16	4-Jan-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.12/09
3-Years	6.1970%	6.42/38
5-Years	6.7010%	7.25/20
10-Years	7.7995%	8.40/30

T-Bills Auction Date		
Tenor	22-Dec-16	4-Jan-17
	Cut Off Yields	Bid/Ask
3-Months	5.9910%	5.99/96
6-Months	6.0109%	6.04/6.00
12-Months	5.9485%	6.05/6.00

PMEX FUTURE CONTRACTS					
COMMODITIES	P (L/S)	E-L	T-P	S-L	STATUS (ACTIVE/TBE)
CRUDE-OIL					
SILVER					
BRENT-OIL					
GOLD USD	L	1140.00	1180.00	1120.00	ACTIVE
GOLD-EUR/USD	L				
GOLD-GBP/USD					
GOLD-USD/JPY					
GOLD-USD/CAD	S	1.3530	1.3200	1.3630	ACTIVE
GOLD-USD/CHF					
GOLD-AUD/USD					

P= POSITION L= LONG S= SHORT TBE= TO BE ENTERED
 FI= ENTRY / FVI TP= TAKE PROFIT SL= STOP LOSS