

FX – INTERBANK RATE:

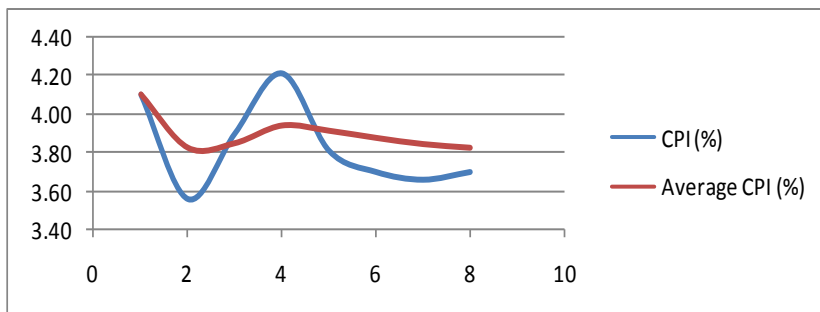
1-Mar	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.84	104.85	104.82	104.82	104.84

FX MARKET:

- Swaps tried to move higher today as the exchange rate shed a few paisa from its high, prompting the market to bid up the premiums. However, once the demand fizzled out the supply reemerge and the market moved lower again. The longer tenors saw the premiums unchanged as activity remains muted.
- Yesterday, Finance Minister Ishaq Dar said the price of petrol has been increased from Rs71.29 to Rs73/liter, diesel oil Rs80.48 to Rs82/ liter, Kerosene oil Rs43.25 to Rs44/ liter and light diesel oil from Rs43.34 to Rs44/ liter. The new prices will become effective from 1st March, 2017.

MONEY MARKET:

- Yesterday SBP floor hit for Rs6bn.
- Today PBS released the data of CPI for the month of February, 2017. According to the PBS, CPI figure increased by 3.70% lower from our expectation but almost same from the previous month 3.66%. On MoM basis, CPI rose by 0.82% in line with our expectation higher from last month 0.20%. The average inflation for 8MFY-16/17 is 3.83%.



- Today SBP held its 18th MTB Auction for FY-16/17, where the target amount is Rs350bn and the maturity amount is Rs347bn. While the total bid participation amount is recorded more than from the target and maturity amount Rs483.20bn. The total bid participation amount is divided in 3, 6 and 12-month tenor Rs257.50bn, Rs220.70bn and Rs5.00bn respectively. We expect MTB Cut-off yield remained un-changed.

18th 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	5.9463%	5.9463%	187.576	190.143
6-Months	5.9896%	5.9896%	197.054	202.950
12-Months	5.9935%	5.9935%	2.830	3.000
Total			387.46	396.093

- Today MM initiated at 5.80%-5.95% and traded whole day within the range of 5.80%-5.95% and expected to close at same.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0775	0.0162	4.6%
2-WEEK	0.1200	0.0100	3.7%
1-MONTH	0.2450	0.0179	3.5%
2-MONTH	0.4300	0.0350	3.4%
3-MONTH	0.6150	0.0205	3.4%
4-MONTH	0.8300	0.0535	3.6%
5-MONTH	0.9400	(0.0028)	3.4%
6-MONTH	1.1100	(0.0089)	3.5%
12-MONTH	2.4600	(0.0645)	4.1%

ECONOMIC INDICATOR			
Forex Reserves	17-Feb-17	USD bn	21.929
CPI- MoM	1-Jan-17		0.20%
CPI- YoY	1-Jan-17		3.66%
M2 Growth	FY17 YTD		2.86%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	7MFY17	USD bn	1.161
Home Remittance	7MFY17	USD bn	10.948
Current A/C Def.	7MFY17	USD bn	4.716
Trade -Deficit	7MFY17	USD bn	15.208
Kerb USD/PKR	1-Mar-17	Bid/Ask	107.20/45
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	1-Mar-17	Pts	934.48
PSX-100 Index	1/3/2017	Pts	48,887.14

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 27-Feb	1.05456%	1.36128%	1.73983%

Money Market			1-Mar-17
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	01-Mar-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.21/20
3-Years	6.4074%	6.39/37
5-Years	6.8998%	7.00/6.98
10-Years	7.9414%	8.18/14

T-Bills Auction Date		
Tenor	16-Feb-17	01-Mar-17
	Cut Off Yields	Bid/Ask
3-Months	5.9463%	5.93/92
6-Months	5.9896%	5.97/95
12-Months	5.9935%	5.99/97

PMEX FUTURE CONTRACTS					1/3/2017
COMMODITIES	P (L/S)	E-L	T-P	S-L	YTD P & L %
CRUDE-OIL					
SILVER					
BRENT-OIL					
GOLD USD	L	1243.00	1264.00	1230.00	3.10%
GOLD-EUR/USD	L	1.0600	1.0850	1.0500	8.55%
GOLD-GBP/USD					
GOLD-USD/JPY					6.45%
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