

FX – INTERBANK RATE:

02-May	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.80	104.80	104.75	104.76	104.80

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.75/104.90**

FX MARKET:

- ✓ The exchange rate moved lower today, as outright dollar demand fizzled out as supply hit the market.
- ✓ Swaps moved lower today, as player sought to build up their dollar nostros after the rise in premiums on Friday. With the uptick in premiums overdone last week, today we saw the sellers back in the market building up their dollar positions. This month sees the start of the increasing oil related tenders lined up and hence we can expect premiums to be on the lower side.

MONEY MARKET:

- ✓ Today PBS released the data of CPI for the month ended April, 2016. According to PBS, CPI increased by 4.17% on YoY basis as compared to previous month 3.94%. On MoM basis, CPI surged by 1.60% as compared to last month 0.20%. Core inflation measured by following items: NFNI increased by 4.40% on YoY basis while Core Trimmed increased by 3.80% on YoY basis. The average inflation for 10MFY15-16 is recorded at 2.78%.
- ✓ Today MM initiated at 6.00%-6.15% and traded whole day in the range of 4.75%-6.10% and expected to close at same.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher as a broadly weaker U.S. dollar and indications that the Federal Reserve was in no hurry to raise interest rates boosted the yellow metal. Yellow metal is currently trading at \$1,298.80 per ounce.
- ✓ **CRUDE:** Crude oil advanced as news of a monthly climb in production from the Organization of the Petroleum Exporting Countries underlined concerns over a global supply glut. Black gold is currently trading at \$45.62 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0950	(0.0100)	5.1%
2-WEEK	0.1950	(0.0100)	5.0%
1-MONTH	0.4200	(0.0200)	5.2%
2-MONTH	0.8400	0.0050	5.2%
3-MONTH	1.2100	(0.0150)	5.2%
4-MONTH	1.6200	(0.0200)	4.8%
5-MONTH	2.0200	(0.0200)	4.9%
6-MONTH	2.4250	(0.0200)	5.5%
12-MONTH	4.6500	-	5.7%

Economic Indicators			
Forex Reserves	15-Apr-16	USD bn	20,779
CPI- MoM	01-Apr-16		1.60%
CPI- YoY	01-Apr-16		4.17%
M2 Growth	FY16 YTD		6.30%
SBP Target Rate	FY16 YTD		6.00%
FDI	9MFY16	USD mn	957.6
Home Remittance	9MFY16	USD bn	14,157
Current A/C Def.	8MFY16	USD bn	1,859
Trade -Deficit	8MFY16	USD bn	13,372
Govt. Domestic Debt	As at 31-12-2015	Rs tm	13,188
External Dbt	As at 30-09-2015	USD bn	55,609
KSE-100 Index	02/05/16	Pts	34,567.52

Money Market		02-May-16	
	KBOR	MRV	
1-Month	6.00%	6.19%	
3-Month	6.11%	6.19%	
6-Month	6.11%	6.21%	
12-Month	6.16%	6.22%	
PIB'S		Auction Date	
Tenor	21-Apr-16	02-May-16	
	Out Off Yields	Bid/Ask	
2-Years	-	6.65/55	
3-Years	6.5492%	6.75/65	
5-Years	6.9997%	7.25/15	
10-Years	8.1804%	8.45/38	
T-Bills		Auction Date	
Tenor	28-Apr-16	02-May-16	
	Out Off Yields	Bid/Ask	
3-Months	6.1697%	6.18/14	
6-Months	6.1812%	6.25/18	
12-Months	6.2079%	6.28/26	

Commodities			02/05/16
Gold Recommendation			
Level	Long@	Short@	
Entry level	1225	-	
Stop loss	1190	-	
Take profit	1255	-	
Crude Recommendation			
Level	Long@	Short@	
Entry level	41	43	
Stop loss	39	45	
Take profit	44	40	