

**FX – INTERBANK RATE:**

04-Jan	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.86	104.89	104.86	104.87	104.74

- ✓ **Forecast for tomorrow:**  
As per today's activity, we expect the market to continue to trade within the range of **104.82/104.92**

**FX MARKET:**

- ✓ The exchange rate remained at the elevated levels as demand picked up after the long weekend and year end.
- ✓ Swaps initially started the day with offers dominating the trading and the market dipped lower briefly before the bidding reemerged. The longer tenor saw the most rises with the 5months moving up by 8paisa's while the 6month rose by 10paisa's.
- ✓ SBP released the figure of total FX Reserves for the week ended 25<sup>th</sup> December, 2015. According to that total FX Reserves surged by \$499.6mn or 2.43% from previous week \$20.57bn to \$21.07bn. The breakup of total FX Reserves are as follows: SBP held FX Reserves rose by \$559mn from \$15.61bn to \$16.17bn while FX Reserves held in other banks fell by \$59.2mn from \$4.96bn to \$4.90bn. During the week, SBP received \$500mn from IMF under EFF.

**MONEY MARKET:**

- ✓ PBS released the figure of CPI for the month ended December, 2015. According to PBS, CPI increased by 3.19% on YoY basis as compared to previous month 2.73%. On MoM basis, CPI decreased by 0.6% as compared to last month increase of 0.6%. CPI figure is made up by following items as follows: Core NFNE increased by 4.1% on YoY basis and Core Trimmed increased by 2.7% on YoY basis. The average inflation for 6MFY15-16 is recorded at 2.06%.
- ✓ Today MM initiated at 6.20%-6.40% and traded whole day in the range of 6.20%-6.40% and closed at 6.20%-6.40%.

**COMMODITY MARKET:**

- ✓ **GOLD:** Gold traded lower as the start of a rate hike cycle bolstered the dollar and pressured the metal. Yellow metal is currently trading at \$1,072.85 per ounce.
- ✓ **CRUDE:** Crude oil rose as an unprecedented global supply glut continued to weigh on the market. Black gold is currently trading at \$37.83 per barrel.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1250	(0.0400)	6.6%
2-WEEK	0.2575	(0.0325)	6.6%
1-MONTH	0.4950	(0.0250)	5.7%
2-MONTH	0.9200	(0.0150)	5.9%
3-MONTH	1.2750	(0.0100)	5.4%
4-MONTH	1.6000	(0.0400)	4.9%
5-MONTH	2.0200	0.0800	4.9%
6-MONTH	2.3750	0.1000	5.3%
12-MONTH	4.5000	(0.0500)	5.4%

Economic Indicators			
Forex Reserves	25-Dec-15	USD bn	21.073
CPI- MoM	08-Dec-15		-0.60%
CPI- YoY	08-Dec-15		3.20%
M2 Growth	FY16 YTD		2.22%
SBP Discount Rate	FY16 YTD		6.00%
FDI	SMFY16	USD mn	540.2
Home Remittance	SMFY16	USD bn	8.056
Current A/C Def.	SMFY16	USD bn	1.005
Trade-Deficit	SMFY16	USD bn	7.480
Domestic Debt	As at 31-10-2015	Rs tm	13.004
External Dbt	As at 30-09-2015	USD bn	56.809
ISE-100 Index	28/12/15	Rs	32,849.60

Money Market			04-Jan-16	
	KIBOR		PKRV	
1Month	6.53%		6.49%	
3Month	6.56%		6.50%	
6Month	6.62%		6.52%	
12Month	6.91%		6.57%	

PIB'S Auction Date			
Tenor	17-Dec-15	04-Jan-16	
	Cut Off	Yeilds	Bid/Ask
2Years	-		6.60/53
3Years	7.0251%		6.81/78
5Years	7.9997%		7.92/86
10Years	9.1011%		9.10/05

T-Bills Auction Date			
Tenor	28-Dec-15	04-Jan-16	
	Cut Off	Yeilds	Bid/Ask
3Months	6.3374%		6.40/36
6Months	6.3637%		6.40/35
12Months	6.3914%		6.39/32

Commodities 23/12/15		
Crude Oil Recommendation		
Level	Long@	Short@
Entry level	36.00	39.00
Stop loss	34.00	40.00
Take profit	39.00	37.00

Gold Recommendation		
Level	Long@	Short@
Entry level	1065	1095
Stop loss	1045	1115
Take profit	1085	1075