

FX – INTERBANK RATE:

4-Nov	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.74	104.77	104.73	104.75	104.76

FX MARKET:

- ✓ The exchange rate showed only slight movement today even though was ample dollar demand.
- ✓ Swaps were down in all tenors as dollar demand manifested itself through buy sell swaps that saw the premiums move lower. The market bidders were difficult to get hold of in the longer tenors and this resulted in wide bid offer spreads that depressed premiums more. The 6-month was well offered at Rs1.86 while the bids remained far and few between. With the local and US holidays scheduled for next week, the dollar demand could remain stronger still and further steep premium declines can be expected.
- ✓ SBP released the figure of total FX-Reserves for the week ended 28th October, 2016. According to the SBP, Total FX-Reserves declined by \$137.2mn as compared to the previous week \$24.32bn to \$24.18bn. The break-up of total FX-Reserves are as follows: SBP held FX-Reserves decreased by \$190.3mn from \$19.32bn to \$19.13bn while FX-Reserves held in other banks rose by \$53.1mn from \$5.00bn to \$5.05bn. The decrease in reserves was due to external debt servicing and other official payments.

MONEY MARKET:

- ✓ Today PBS released the data of weekly inflation for the week ended 3rd November, 2016. According to PBS, SPI surged-up by 0.19% or 41bps as compared to the last week 220.59bps to 221.00bps.
- ✓ Today SBP held 7-Days OMO (Injection), where total amount offered was Rs848.9bn from which the amount accepted was Rs836.9bn at 5.80%.
- ✓ Today MM initiated at 5.70%-5.90% and traded whole day with in the range of 5.70%-5.90% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.28/24, 6.87/82 and 8.02/7.95 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher amid broad weakness in the greenback and a slump in global financial markets. Yellow metal is currently trading at \$1,300.78 per ounce.
- ✓ **CRUDE:** Crude oil declined after data showed that crude supplies in the U.S. rose by the most since records began last week. Black gold is currently trading at \$44.65 per barrel.

USD/PKR For			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1200	0.0375	6.4%
2-WEEK	0.1588	(0.0038)	4.1%
1-MONTH	0.3375	(0.0200)	4.3%
2-MONTH	0.6350	(0.0200)	4.2%
3-MONTH	0.9600	(0.0100)	4.5%
4-MONTH	1.2600	(0.0050)	3.9%
5-MONTH	1.5400	(0.0250)	3.8%
6-MONTH	1.8500	(0.0350)	4.8%
12-MONTH	4.1500	-	5.5%

Economic Indicators			
Forex Reserves	28-Oct-16	USD bn	24.184
CPI- MoM	1-Oct-16		0.80%
CPI- YoY	1-Oct-16		4.21%
M2 Growth	FY17 YTD		0.12%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	1QFY17	USD mn	249.3
Home Remittance	1QFY17	USD bn	4.698
Current A/C Def.	1QFY17	USD bn	1.368
Trade -Deficit	1QFY17	USD bn	6.078
Govt. Domestic Debt	As at 31-08-2016	Rs tm	14.554
External Dbt	As at 30-06-2016	USD bn	72.978
MSCI-EM Index	3/11/2016	Pts	888.94
KSE-100 Index	3/11/2016	Pts	41,809.85

Money Market 3-Nov-16		
	KIBOR	PKRV
1-Month	5.71%	5.85%
3-Month	5.78%	5.88%
6-Month	5.80%	5.91%
12-Month	5.86%	5.93%

PIB'S Auction Date		
Tenor	22-Sep-16	03-Nov-16
	Cut Off Yields	Bid/Ask
2-Years	-	6.07/02
3-Years	6.1970%	6.24/21
5-Years	6.7010%	6.84/81
10-Years	7.7995%	7.97/92

T-Bills Auction Date		
Tenor	27-Oct-16	03-Nov-16
	Cut Off Yields	Bid/Ask
3-Months	5.9017%	5.90/87
6-Months	5.9046%	5.95/91
12-Months	5.9148%	5.98/91

Commodities 15-September-16

Crude Oil Recommendation		
Technical Level	Long@	Short@
Entry level	-	-
Stop loss	-	-
Take profit	-	-

Gold Recommendation		
Technical Level	Long@	Short@
Entry level	-	-
Stop loss	-	-
Take profit	-	-