

FX – INTERBANK RATE:

05-Jan	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.92	104.95	104.92	104.92	104.87

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.88/104.98**

FX MARKET:

- ✓ The USDPKR moved higher today to trade to 104.95, as demand for the greenback picked up. Following the decline in the local equity markets and the devaluation of the Chinese Yuan as the PBOC set a reference rate of 6.50; this has lead market players to fear a similar devaluation with the rupee, thus exerting upward pressure on the dollar.
- ✓ Swaps saw the 1week, 2weeks and 1month traded the most today, at 13, 24 and 54.5paisa's respectively. Although market volumes were slightly muted, swap premiums in the longer tenors still managed to post gains as forward to forward swaps conducted in the market gave support to the longer tenor's premiums with the 6month bidding as high as Rs2.40. With the Chinese Yuan being devalued again yesterday, this could lead to importers booking forward in the days ahead, thus supporting the premium buyers.

MONEY MARKET:

Yesterday, SBP conducted 4Days OMO (Injection), where total amount offered was Rs400bn out of which amount accepted was Rs376bn at 6.05%.

- ✓ Today MM initiated at 6.10%-6.40% and traded whole day in the range of 6.10%-6.40% and closed at 6.40%-6.50%.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher as mounting geopolitical tensions in the Middle East coupled with plunging global equity markets lured investors to the safe-haven appeal of the yellow metal. Yellow metal is currently trading at \$1,077.12 per ounce.
- ✓ **CRUDE:** Crude oil declined as weak manufacturing data from China fuelled concerns of slowing demand from the world's 2nd largest consumer of oil. Black gold is currently trading at \$36.69 per barrel.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1225	(0.0025)	6.4%
2-WEEK	0.2425	(0.0150)	6.2%
1-MONTH	0.5500	0.0550	6.3%
2-MONTH	0.9400	0.0200	6.0%
3-MONTH	1.3000	0.0250	5.5%
4-MONTH	1.6500	0.0500	5.0%
5-MONTH	2.0250	0.0050	4.9%
6-MONTH	2.3950	0.0200	5.3%
12-MONTH	4.5500	0.0500	5.4%

Economic Indicators			
Force Reserves	25-Dec-15	USD bn	21.073
CPI- MoM	08-Dec-15		-0.68%
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	8.098
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 Debt	As at 30-09-2015	USD bn	55.809
KSE-300 Index	28/12/15	Pts	32,849.80

Economic Data released over the last 24 hours					
Date	Events	Actual	Forecast	Previous	
04/01/16	CHF SVME-Purchasing Managers Index (DEC)		50.1	49.7	
04/01/16	GBP Net Consumer Credit (NOV)		1.3b	1.2b	
04/01/16	GBP Net Lending Sec. on Dwellings (NOV)		3.6b	3.6b	
04/01/16	GBP Mortgage Approvals (NOV)		69.8k	69.6k	
04/01/16	GBP Markit UK PMI Manufacturing s.a (DEC)		52.8	52.7	
04/01/16	EUR German Consumer Price Index (MoM) (DEC P)		0.20%	0.10%	
04/01/16	EUR German Consumer Price Index (YoY) (DEC P)		0.60%	0.40%	
04/01/16	EUR German Consumer Price Index - EU Harmonised (MoM) (DEC P)		0.20%	0.10%	
04/01/16	EUR German Consumer Price Index - EU Harmonised (YoY) (DEC P)		0.40%	0.30%	
04/01/16	CAD RBC Canadian Manufacturing PMI (DEC)			48.6	
04/01/16	USD Construction Spending (MoM) (NOV)		0.70%	1.00%	
04/01/16	USD ISM Manufacturing (DEC)		49	48.6	
04/01/16	USD ISM Prices Paid (DEC)		36	35.5	

Source: www.dailyfx.com

Money Market			05-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	05-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	05-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			06/01/16
Crude Oil Recommendation			
Level	Long	Short	
Entry level	-	-	
Stop loss	-	-	
Take profit	-	-	
Gold Recommendation			
Level	Long	Short	
Entry level	-	-	
Stop loss	-	-	
Take profit	-	-	