

FX – INTERBANK RATE:

06-Jan	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.93	104.93	104.90	104.90	104.92

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.85/104.95**

FX MARKET:

- ✓ The exchange rate remained in a tight range today.
- ✓ Swaps started the day with offers dominating the trading desk and this saw the premiums move lower with the 3months traded down to Rs1.25. The market thereafter saw the market move higher again as the market demand saw the premiums again regain the lost ground. With sellers viewing the last few days rise as overdone, we could see further gyrations in the premiums in the days ahead.

MONEY MARKET:

- ✓ SBP ceiling was hit for Rs27.85bn.
- ✓ Today SBP held its 14th MTB auction for FY-15/16, where the target amount is Rs250bn while the maturity amount is Rs206.47bn. The total bid participation amount is recorded more than double from the target amount Rs536.17bn while the realized amount is Rs515.19bn. The total bid participation amount in 3, 6 and 12Months are Rs119.33bn, Rs191.3bn and Rs225.54bn respectively. We expect no change in cut-off yields.
- ✓ Today MM initiated at 6.25%-6.50% and traded whole day in the range of 6.25%-6.50% and closed at 6.35%-6.50%.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher in spite of a broadly stronger dollar as widespread geopolitical concerns in the Middle East and fears of slowing global economic growth remained in focus. Yellow metal is currently trading at \$1,085.88 per ounce.
- ✓ **CRUDE:** Crude oil declined ahead of the release of the API's weekly inventory report, as investors weighed the continued downside risks of oversupply with escalating geopolitical tensions in the Middle East. Black gold is currently trading at \$35.09 per barrel.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1300	0.0075	6.8%
2-WEEK	0.2350	(0.0075)	6.0%
1-MONTH	0.5300	(0.0200)	6.1%
2-MONTH	0.9250	(0.0150)	5.9%
3-MONTH	1.3050	0.0050	5.5%
4-MONTH	1.6650	0.0150	5.1%
5-MONTH	2.0250	-	4.9%
6-MONTH	2.3650	(0.0300)	5.3%
12-MONTH	4.4500	(0.1000)	5.3%

Economic Indicators			
Foreign Reserves	25-Dec-15	USD bn	21.073
CPI-MoM	08-Dec-15		-0.68%
CPI-YoY	08-Dec-15		3.20%
GDP 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
Tra de -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-100 Index	05/01/16	Pts	33,102.80

Economic Data released over the last 24 hours				
Date	Events	Actual	Forecast	Previous
05/01/16	EUR German Unemployment Change (DEC)		-8k	-13k
05/01/16	EUR German Unemployment Rate s.a. (DEC)		6.30%	6.30%
05/01/16	GBP Markit/CIPS UK Construction PMI (DEC)		56	55.3
05/01/16	EUR Euro-Zone Consumer Price Index Estimate (YoY) (DEC)		0.40%	0.20%
05/01/16	EUR Euro-Zone Consumer Price Index - Core (YoY) (DEC A)		1.00%	0.90%

Source: www.dailyfx.com

Money Market			06-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	06-Jan-16	
	Cut Off Yields	Bid/Ask	
2Years	-	6.50/45	
3Years	7.0251%	6.76/73	
5Years	7.9997%	7.75/71	
10Years	9.1011%	9.05/9.00	

T-Bills Auction Date			
Tenor	28-Dec-15	06-Jan-16	
	Cut Off Yields	Bid/Ask	
3Months	6.3374%	6.35/31	
6Months	6.3637%	6.35/30	
12Months	6.3914%	6.34/29	

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