

FX – INTERBANK RATE:

10-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.76	104.82	104.62	104.68	104.73

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.55/104.85**

FX MARKET:

- ✓ The USDPKR moved slightly lower today.
- ✓ Swaps saw the premiums move lower as sellers reemerged in the longer tenors. The 6-months tenor saw sizeable activity, with the premium trading at high of Rs2.52, before being sold down to Rs2.42. The 5-months tenor also saw the market trade down to Rs2.07 and the 3-months tenor was traded down to Rs2.30. The premiums did move higher again but were unable to recoup the highs seen during the day. With yields in the longer tenors already within striking distance of the target rate, the upside to selling the premiums is hence limited. The forward market could also see selling by exporters who after seeing the exchange rate recoup from the lows seen at the start of the week, would like to book their forward exchange rates on their receivables.

MONEY MARKET:

- ✓ SBP ceiling was hit for Rs39.4bn.
- ✓ Today MM initiated at 6.00%-6.25% and traded whole day in the range of 6.00%-6.10% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-Years at 6.42/38, 5-Years at 7.12/08 and 10-Years at 8.62/58 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher in spite of a broadly stronger dollar, as investors traded cautiously on Tuesday ahead of a highly-anticipated appearance by Federal Reserve chair Janet Yellen. Yellow metal is currently trading at \$1,181.82 per ounce.
- ✓ **CRUDE:** Crude oil declined as a bearish report from the IEA forecasted a further widening of the supply-demand imbalance on global markets, placing added downside pressure on dwindling energy prices. Black gold is currently trading at \$28.57 per barrel.

USD/PKR Fc

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1150	(0.0075)	6.1%
2-WEEK	0.2275	(0.0100)	5.8%
1-MONTH	0.4700	(0.0200)	5.6%
2-MONTH	0.9200	(0.0350)	6.0%
3-MONTH	1.3200	(0.0150)	5.7%
4-MONTH	1.7150	(0.0400)	5.2%
5-MONTH	2.1000	(0.0250)	5.1%
6-MONTH	2.4850	(0.0200)	5.6%
12-MONTH	4.7500	-	5.7%

Economic Indicators

Indicator	Period	Unit	Value
Foreign Reserves	29-Jan-16	USD bn	28,275
CPI - MoM	18-Jan-16		0.20%
CPI - YoY	18-Jan-16		3.32%
GDP Growth	FY16 YTD		2.61%
SBP Target Rate	FY16 YTD		6.00%
FDI	GMFY16	USD mn	674.1
Home Remittance	GMFY16	USD bn	9.75
Current A/C Def.	GMFY16	USD bn	1.267
Trade Deficit	GMFY16	USD bn	10,891
Govt. Domestic Debt	As at 31-12-2015	Rs bn	13,100
External Debt	As at 30-09-2015	USD bn	55,589
BSE-100 Index	02/02/16	Pts	31,368.61

Economic Data released over the last 24 hours

Date	Events	Actual	Forecast	Previous
09/02/16	EUR German Trade Balance (euros) (DEC)		20.0b	20.5b
09/02/16	EUR German Industrial Production n.s.a. and w.d.a. (YoY)		-0.60%	0.10%
09/02/16	GBP Visible Trade Balance (Pounds) (DEC)		-£10400	-£10642
09/02/16	GBP Trade Balance Non EU (Pounds) (DEC)		-£2500	-£2450
09/02/16	GBP Total Trade Balance (Pounds) (DEC)		-£3000	-£3170
09/02/16	USD Wholesale Inventories (DEC)		-0.10%	-0.30%

Money Market 10-Feb-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	28-Jan-16	10-Feb-16
	Cut Off Yields	Bid/Ask
2Years	-	6.35/30
3Years	6.5002%	6.40/37
5Years	7.5484%	7.10/05
10Years	8.8509%	8.61/58

T-Bills Auction Date

Tenor	04-Feb-16	10-Feb-16
	Cut Off Yields	Bid/Ask
3Months	6.2591%	6.23/18
6Months	6.2665%	6.25/20
12Months	6.2758%	6.24/20

Commodities 10/02/16

Crude Oil Recommendation

Level	Long@	Short@
Entry level	-	31.50
Stop loss	-	32.75
Take profit	-	29.50

Gold Recommendation

Level	Long@	Short@
Entry level	-	1205
Stop loss	-	1225
Take profit	-	1185