

FX – INTERBANK RATE:

10-Nov	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.71	104.72	104.68	104.70	104.70

FX MARKET:

- ✓ The exchange rate showed no major change today.
- ✓ Swaps started the day with a bid tone that saw the premium tick-up slightly as money market liquidity remained tight after the T-bill maturity which saw the auction target exceeded and yields move higher as well. However the uptick was short lived as supply in the forwards materialized and this quickly lead to the market bids disappearing, leaving the premiums lower on the day.
- ✓ Yesterday, The Privatization Commission (PC) chairman said that in absence of a buyer, the Government planned to lease out Pakistan Steel Mill and for this purpose a proposal was being drafted to lease out the Pakistan Steel Mill to a Chinese and Iranian Companies that have showed interest.

MONEY MARKET:

- ✓ Yesterday, SBP held its 10th MTB Auction for FY-16/17, where the target amount is Rs250bn while the maturity amount is Rs279bn. The total bid participation is recorded well above from both the target and the maturity amount Rs398.56bn. But the Government accepted more from both the target and maturity amount Rs296.46bn. The Government accepted amount in 3 and 6-months tenor are Rs270.63bn and Rs25.82bn respectively while the bids of 12-Months were rejected. The MTB Cut-off yield rose by 5 and 4-bps in 3 and 6-months tenor from 5.90% to 5.95% and 5.91% to 5.95%.
- ✓ Today MM initiated at 5.80%-5.85 and traded whole day with in the range of 5.80%-5.85% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.28/23, 6.87/83 and 8.02/7.95 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower as Trump shocked financial markets by winning the U.S. presidential election. Yellow metal is currently trading at \$1,277.84 per ounce.
- ✓ **CRUDE:** Crude oil declined after U.S. EIA said in its weekly report that crude oil inventories rose by 2.4mn barrels in the week ended November 4. Black gold is currently trading at \$45.15 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0900	0.0025	4.9%
2-WEEK	0.1750	0.0075	4.5%
1-MONTH	0.3750	0.0325	4.7%
2-MONTH	0.6400	(0.0100)	4.3%
3-MONTH	0.9550	(0.0150)	4.5%
4-MONTH	1.2500	(0.0200)	3.9%
5-MONTH	1.5500	(0.0300)	3.9%
6-MONTH	1.8650	(0.0150)	4.8%
12-MONTH	4.1000	-	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 trn	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		10-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	10-Nov-16
	Cut Off Yields	
	Bid/Ask	
2-Years	-	6.06/04
3-Years	6.1970%	6.24/21
5-Years	6.7010%	6.84/81
10-Years	7.7995%	7.98/93

T-Bills Auction Date		
Tenor	10-Nov-16	10-Nov-16
	Cut Off Yields	
	Bid/Ask	
3-Months	5.9463%	5.90/88
6-Months	5.9471%	5.93/91
12-Months	5.9148%	5.98/94

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	-	-