

**FX – INTERBANK RATE:**

11-AUG	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.58	104.59	104.55	104.57	104.61

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.50/104.65**

**FX MARKET:**

- ✓ The exchange rate remained stable despite the deteriorating home Remittance figures which were released.
- ✓ Swaps showed slight downward movement as the exchange rate stability led players to swap rupees for dollars. The longer term did show light gains and this could be the result of lack of liquidity seen in the market.
- ✓ SBP released the data of Home remittance for the month ended July, 2016. According to SBP, home remittance figure plunged by \$744.79mn as compared to the previous month \$2.07bn to \$1.32bn. For 1MFY16/17, Home remittance declined by \$335.43mn as compared to the same period of last fiscal year \$1.66bn to \$1.32bn. The countries from where Pakistani's remitted highest amount with their amounts are as follows: Saudi Arabia \$378.69mn, UAE \$293.72mn, USA \$169.68mn and UK \$143.61mn respectively.
- ✓ PBS released the figure of trade deficit for the month of July, 2016. According to SBP, Trade deficit figure fell by \$738mn as compared to the previous month \$2.81bn to \$2.07bn. For 1MFY16/17, Trade deficit figure rose by \$318mn as compared to the same period of last fiscal year \$1.76bn to \$2.07bn. The increase in trade deficit figure due to decrease in exports by \$109mn from \$1.58bn to \$1.47bn and increase in imports by \$209mn from \$3.34bn to \$3.55bn.

**MONEY MARKET:**

- ✓ SBP issued the numbers of M2 Growth for the week ended 29<sup>th</sup> July, 2016. According to SBP, M2 numbers posted a negative growth by 1.07% on YoY basis.
- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.75%-6.00% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.20/18, 6.72/69 and 7.79/75 respectively.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0975	(0.0038)	5.3%
2-WEEK	0.1925	(0.0050)	5.0%
1-MONTH	0.4325	(0.0175)	5.4%
2-MONTH	0.7950	(0.0225)	5.1%
3-MONTH	1.2250	0.0500	5.4%
4-MONTH	1.5550	(0.0200)	4.8%
5-MONTH	1.9000	0.0050	4.7%
6-MONTH	2.3000	0.0150	5.5%
12-MONTH	4.5500	-	5.8%

**Economic Indicators**

Forex Reserves	29-Jul-16	USD bn	22.978
CPI- MoM	1-Jul-16		0.40%
CPI- YoY	1-Jul-16		4.12%
M2 Growth	FY17 YTD		-1.07%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	FY16	USD bn	1.281
Home Remittance	1MFY17	USD bn	1.328
Current A/C Def.	FY16	USD bn	2.525
Trade -Deficit	FY16	USD bn	20.874
Govt. Domestic Debt	As at 31-12-2015	Rs trn	13.188
External Dbt	As at 30-09-2015	USD bn	55.609
KSE-100 Index	8/3/2016	Pts	39,615.76

Money Market		11-Aug-16	
	KIBOR	PKRV	
1-Month	5.70%	5.81%	
3-Month	5.73%	5.79%	
6-Month	5.74%	5.78%	
12-Month	5.76%	5.79%	

PIB'S Auction Date		
Tenor	14-July-16 Cut Off Yields	11-Aug-16 Bid/Ask
2-Years	-	6.10/5.95
3-Years	6.2058%	6.19/16
5-Years	6.7029%	6.71/68
10-Years	7.8003%	7.77/72

T-Bills Auction Date		
Tenor	04-Aug-16 Cut Off Yields	11-Aug-16 Bid/Ask
3-Months	5.8571%	5.85/80
6-Months	5.9046%	5.88/86
12-Months	5.9148%	5.90/86

**Commodities 08-August-16**

Crude Oil Recommendation		
Technical Level	Long@	Short@
Entry level	40.00	-
Stop loss	38.50	-
Take profit	44.00	-

Gold Recommendation		
Technical Level	Long@	Short@
Entry level	1,320	1,370
Stop loss	1,295	1,400
Take profit	1,355	1,320