

FX – INTERBANK RATE:

11-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.66	104.72	104.66	104.68	104.68

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.55/104.75**

FX MARKET:

✓ SBP released the data of home remittance for the month ended January, 2016. According to SBP, home remittance fell by \$174.19mn from previous month \$1.63bn to \$1.46bn. For 7MFY16, home remittance figure surged up by \$632.28mn as compared to the same period of last fiscal year \$10.56bn to \$11.19bn. The countries from which Pakistani's remitted highest amounts are as follows: Saudi Arabia \$3.35bn, U.A.E \$2.48bn, USA \$1.52bn, U.K \$1.42bn and Other GCC Countries \$1.36bn respectively.

✓ PBS released the figure of trade deficit for the month ended January, 2016. According to PBS, Trade deficit declined by \$318mn from previous month \$2.05bn to \$1.73bn. For 7MFY16, Trade deficit up by \$564mn as compared to the same period of last fiscal year \$13.07bn to \$13.63bn. For 7MFY16, it is recorded that imports were declined by \$1.46bn from \$27.18bn to \$25.72bn while exports were also plunged by \$2.02bn from \$14.11bn to \$12.08bn while washed the impact of decline in imports

✓ Today, US Government has proposed \$860mn in aid for Pakistan during the 2016-17 fiscal year, including \$265mn for military hardware in addition to counterinsurgency funds.

MONEY MARKET:

✓ Today SBP issued the numbers of M2 Growth for the week ended 29th January, 2016. According to SBP, M2 recorded a positive growth by 2.67% on YoY basis.

✓ Today SBP conducted 1-Day OMO (Injection), where total amount offered was Rs75bn from which the amount accepted was Rs50bn at 6.08%.

✓ Today MM initiated at 6.00%-6.15% and traded whole day in the range of 6.00%-6.15% and expected to close at same.

✓ Today in bond secondary market, when issue is traded at following levels: 3-Years at 6.38/35, 5-Years at 7.02/6.98 and 10-Years at 8.47/4. respectively.

COMMODITY MARKET:

✓ **GOLD:** Gold traded higher as Federal Reserve chair Janet Yellen reiterated that current conditions in the U.S. economy are likely to warrant gradual interest rate hikes by the U.S. central bank in the near-term future. Yellow metal is currently trading at \$1,222.57 per ounce.

✓ **CRUDE:** Crude oil declined as investors reacted to an unexpected draw in U.S. crude inventories last week and continued speculation that a host of major global producers could cut output in order to stem the prolonged downturn in oil prices worldwide. Black gold is currently trading at \$26.77 per barrel.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1100	(0.0050)	5.9%
2-WEEK	0.2300	0.0025	5.9%
1-MONTH	0.4600	(0.0100)	5.4%
2-MONTH	0.8950	(0.0250)	5.8%
3-MONTH	1.2900	(0.0300)	5.6%
4-MONTH	1.7000	(0.0150)	5.2%
5-MONTH	2.0300	(0.0700)	5.0%
6-MONTH	2.4400	(0.0450)	5.5%
12-MONTH	4.7500	-	5.7%

Economic Indicators			
Forex Reserves	29-Jan-16	USD bn	28275
CPI-MMM	01-Jan-16		0.20%
CPI-YoY	01-Jan-16		3.32%
M2 Growth	FF16YTD		2.62%
SBP Target Rate	FF16YTD		6.08%
RM	08/FF16	USD mn	624.1
Home Remittance	7/FF16	USD bn	11.19
Current A/C Def.	08/FF16	USD bn	1.267
Trade Deficit	08/FF16	USD bn	10.891
Govt. Domestic Debt	As at 31-12-2015	Bsbn	13100
External Debt	As at 30-09-2015	USD bn	55.609
KSE-100 Index	02/02/16	Pts	31,968.61

Economic Data released over the last 24 hours				
Date	Events	Actual	Forecast	Previous
10/02/16	GBP Industrial Production (YoY) (DEC)		1.00%	0.90%
10/02/16	GBP Manufacturing Production (YoY) (DEC)		-1.40%	-1.20%
10/02/16	USD MBA Mortgage Applications (FEB 5)			-2.60%
10/02/16	GBP NIESR Gross Domestic Product Estimate (JAN)			0.60%
10/02/16	USD Fed's Yellen to Appear Before House Financial Services			
10/02/16	USD DOE U.S. Crude Oil Inventories (FEB 5)			7792k

Source: www.dailyfx.com

Money Market		11-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	11-Feb-16	
	Cut Off Yields	Bid/Ask	
2Years	-	6.35/25	
3Years	6.5002%	6.37/35	
5Years	7.5484%	7.00/6.95	
10Years	8.8509%	8.45/35	

T-Bills Auction Date			
Tenor	04-Feb-16	11-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