

**FX – INTERBANK RATE:**

11-Jul	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.90	104.90	104.85	104.85	104.92

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.80/104.95**

**FX MARKET:**

- ✓ SBP released the figure of total FX Reserves for the week ended 24<sup>th</sup> June, 2016. According to SBP, Total FX Reserves was dropped by \$4.7mn as compared to the previous week \$21.77bn to \$21.76bn. The break-up of total FX Reserves are as follows: SBP held FX Reserves rose by \$4.1mn from \$16.815bn to \$16.819bn while FX Reserves held in other banks declined by \$8.8mn from \$4.95bn to \$4.94bn.

**MONEY MARKET:**

- ✓ PBS released the data of CPI for the month ended June, 2016. According to PBS, CPI clocked at 3.17% on YoY basis but remained same as compared to previous month 3.17%. On MoM basis, CPI increased by 0.60%. CPI inflation measured by following items: Non-Food Non-Energy CPI (Core NFNE) increased by 4.6% on YoY basis & CPI (Core Trimmed) increased by 3.7% on YoY basis. The average inflation for FY-16 is 2.84%.
- ✓ PBS also released the data of weekly inflation for the week ended 30<sup>th</sup> June, 2016. According to PBS, SPI surged by 0.35% as compared to previous month 216.71bps to 217.46bps.
- ✓ Before EID Holidays, On Monday, SBP held its 1<sup>st</sup> MTB auction for FY-16/17, where target amount is Rs200bn and the maturity amount is Rs144.28bn. The total bid participation amount was recorded more than 2-times higher from the target amount Rs414.85bn. But Government accepted amount Rs211.64bn above from the target amount. The Government accepted amount in 3, 6 and 12-month are Rs17.47bn, Rs85.98bn and Rs108.19bn respectively. The cut-off yield dropped in 3, 6 and 12-month tenor by 3-bps, 2-bps and 5-bps from 5.90% to 5.87%, 5.93% to 5.91% and 5.96% to 5.91% respectively.
- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.75%-6.25% and closed at 6.25%.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-year at 6.15/05, 5-year at 6.45/40 and 10-year at 7.47/41 respectively.

**COMMODITY MARKET:**

**GOLD:** Gold traded higher however, gains in the yellow metal were kept in check after better-than-expected US jobs data. Yellow metal is currently trading at \$1,359.31 per ounce.

**CRUDE:** Crude oil advanced as concerns over the global economic outlook combined with data showing that the U.S. oil rig count rose for the 5th time over the past 6-weeks weighed. Black gold is currently trading at \$44.82 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1013	0.0013	5.5%
2-WEEK	0.2025	0.0025	5.2%
1-MONTH	0.4275	0.0075	5.3%
2-MONTH	0.8550	0.0100	5.4%
3-MONTH	1.2150	0.0150	5.3%
4-MONTH	1.6050	(0.0150)	4.8%
5-MONTH	1.9300	0.0050	4.7%
6-MONTH	2.2700	0.0050	5.2%
12-MONTH	4.6000	-	5.6%

Economic Indicators			
Forex Reserves	24-Jun-16	USD bn	21.765
CPI- MoM	1-Jun-16		0.60%
CPI- YoY	1-Jun-16		3.17%
M2 Growth	FY16 YTD		9.61%
SBP Target Rate	FY16 YTD		5.75%
SBP Discount Rate	FY16 YTD		6.25%
FDI	11MFY16	USD bn	1.083
Home Remittance	11MFY16	USD bn	17.841
Current A/C Def.	11MFY16	USD bn	2.486
Trade -Deficit	11MFY16	USD bn	18.603
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	7/11/2016	Pts	38,367.96

Money Market			11-Jul-16	
	KIBOR		PKRV	
1-Month	5.74%		5.90%	
3-Month	5.86%		5.93%	
6-Month	5.90%		5.95%	
12-Month	5.95%		5.98%	

PIB'S Auction Date			
Tenor	16-June-16	11-July-16	
	Cut Off	Yeilds	Bid/Ask
2-Years	-		6.08/6.02
3-Years	6.4068%		6.15/08
5-Years	6.9092%		6.45/40
10-Years	8.0197		7.45/40

T-Bills Auction Date			
Tenor	11-July-16	11-July-16	
	Cut Off	Yeilds	Bid/Ask
3-Months	5.8689%		5.84/78
6-Months	5.9070%		5.85/80
12-Months	5.9123%		5.84/79

Commodities			7/11/2016	
Gold Recommendation				
Level	Long@	Short@		
Entry level	1325	1395		
Stop loss	1305	1405		
Take profit	1355	1355		

Crude Recommendation		
Level	Long@	Short@
Entry level	44	48.5
Stop loss	42	51.5
Take profit	48	46.5