

FX – INTERBANK RATE:

11-Mar	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.66	104.72	104.66	104.67	104.71

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.60/104.75**

FX MARKET:

- ✓ The swap market again today showed the downward pressure that has been seen on the premiums for the last week. With the 3rd quarter of this financial year coming to an end, the government has failed to carry out any major privatizations and has now decided to resort to the Eurobond market as a means of meeting its foreign inflow shortfall. The market hence senses that to meet its NIR targets, the government would have to end up falling short borrowing dollars at a time when financial volatility in the world markets is rife with risk off mindsets.
- ✓ SBP released the figure of total FX Reserves for the week ended 4th March, 2016. According to SBP, total FX Reserves surged by \$169.7mn as compared to previous week \$20.35bn to \$20.52bn. The breakup of total FX Reserves are as follows: SBP held FX Reserves rose by \$157.2mn from \$15.50bn to \$15.66bn while FX Reserves held in other banks also up by \$12.5mn from \$4.84bn to \$4.85bn.
- ✓ SBP also revealed the data of home remittance for the month ended February, 2016. According to SBP, Home remittance rose by \$53.52mn from last month \$1.46bn to \$1.51bn. For 8MFY15/16, Home remittance surged by \$728.13mn as compared to the same period of previous fiscal year \$11.98bn to \$12.71bn. The countries from which Pakistani's remitted highest amounts are as follows with their amounts: Saudi Arabia \$3.83bn, U.A.E \$2.80bn, USA \$1.73bn, U.K \$1.59bn and Other GCC Countries \$1.55bn respectively;

MONEY MARKET:

- ✓ SBP floor was hit for Rs17.15bn.
- ✓ Today PBS released the data of weekly inflation for the week ended 10th February, 2016. According to PBS, SPI fell by 0.12% as compared to last week 214.49bps to 214.24bps.
- ✓ Today SBP conducted 7-Day OMO (Injection), where total amount offered has been accepted Rs1.38trn at 6.03%.
- ✓ Today MM initiated at 6.00%-6.10% and traded whole day in the range of 6.00%-6.20% and closed at 6.25%-6.40%.
- ✓ Today in the bond secondary market, when issue is traded at following levels: 3-year at 6.35/30, 5-year at 6.99/96 and 10-year at 8.30/26 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower amid a weaker dollar. Yellow metal is currently trading at \$1,264.46 per ounce.
- ✓ **CRUDE:** Crude oil advanced after reports surfaced that a highly-anticipated meeting between OPEC and Non-OPEC producers will not be held. Black gold is currently trading at \$38.84 per barrel.

USD/PKR Fx			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1050	0.0100	5.6%
2-WEEK	0.2200	0.0150	5.7%
1-MONTH	0.4550	0.0050	5.6%
2-MONTH	0.8900	0.0300	5.5%
3-MONTH	1.3100	0.0650	5.6%
4-MONTH	1.6800	0.0300	5.0%
5-MONTH	2.0850	0.0650	5.1%
6-MONTH	2.4750	0.0350	5.6%
12-MONTH	4.6000	-	6.0%

Economic Indicators			
Forex Reserves	04-Mar-16	USD bn	20.522
CPI- MoM	01-Feb-16		-0.30%
CPI- YoY	01-Feb-16		4.02%
M2 Growth	FY16 YTD		3.39%
SBP Target Rate	FY16 YTD		6.00%
FDI	7MFY16	USD mn	647.9
Home Remittance	8MFY16	USD bn	12.714
Current A/C Def.	7MFY16	USD bn	2.036
Trade -Deficit	7MFY16	USD bn	12.076
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	11/03/16	Pts	32,691.33

Money Market			11-Mar-16
	KIBOR		PKRV
1Month	5.99%		6.15%
3Month	6.10%		6.17%
6Month	6.11%		6.18%
12Month	6.15%		6.19%
PIB'S Auction Date			
Tenor	25-Feb-16		11-Mar-16
	Cut Off	Yeilds	Bid/Ask
2Years	-		6.28/22
3Years	6.3469%		6.35/30
5Years	7.0492%		6.98/95
10Years	8.2505%		8.28/26
T-Bills Auction Date			
Tenor	03-Mar-16		11-Mar-16
	Cut Off	Yeilds	Bid/Ask
3Months	6.1697%		6.20/15
6Months	6.2026%		6.21/16
12Months	6.2192%		6.21/18
Commodities			08/03/16
Gold Recommendation			
Level	Long@		Short@
Entry level	1240.00		1260.00
Stop loss	1220.00		1260.00
Take profit	1265.00		1230.00
Crude Recommendation			
Level	Long@		Short@
Entry level	34		40
Stop loss	32		31
Take profit	37		38