

**FX – INTERBANK RATE:**

12-APT	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.86	104.86	104.86	104.86	104.86

**FX MARKET:**

- Swaps moved lower today as the ballooning trade deficit data, along with the financial press reporting of \$1bn of debt payments due in the next 2-months, gave market players a reason to offer swaps in all tenors. The 1-week tenor was traded at 4paisas, 2-months at 40paisas; 125days was seen trading at 82paisas while the 6-months saw the low of Rs1.18. With no foreign financial inflow expected until the end of the financial year, the market players are hence positioning themselves for further dollar demand in the next few months.
- According to THE NEWS newspaper, Pakistan needs to repay at least \$1.0bn on a/c of its foreign debt liabilities during the up-coming May and June.
- The \$1.0bn payment is divided into 2-major payments.
- In 2007, Pakistan secured \$750mn through a bond, whose maturity will be due on 2<sup>4th</sup> May, 2017 and \$250mn is related to Paris Club repayments and other multilateral and bilateral creditors.
- PBS released the data of Trade deficit for the month of March, 2017. According to PBS, Trade deficit increased by \$427mn as compared to the previous month \$2.78bn to \$3.20bn. For 9MFY-16/17, Trade deficit climbed by \$6.537bn or 38.80% as compared to the same period of last fiscal year \$16.84bn to \$23.38bn. Trade deficit figure made-up by exports less imports: Exports declined by \$478mn from \$15.59bn to \$15.11bn while imports climbed up by \$6.059bn from \$32.44bn to \$38.50bn is the main reason of higher trade deficit figure.

**MONEY MARKET:**

- Today SBP held its 21<sup>st</sup> MTB Auction for FY-16/17, where the target amount is Rs250bn and the maturity amount is Rs227bn. While the total bid participation amount is recorded more than from the target and maturity amount Rs343.66bn. The total bid participation amount is divided in 3, 6 and 12-months tenor Rs276.41bn, Rs65.0bn and Rs2.25bn respectively. We expect that 3-month cut-off yield remained same while 6 and 12-month tenor cut-off yield rose by 2 and 4bps respectively.

20th MTB Auction Result				
As per our Expectation based on Bid Participation				
Maturity Period	Cut-off Yield	Weighted Avg Yield	Realized Value (Rs, bn)	Face Value (Rs, bn)
3-Months	5.9910%	5.9753%	258.854	262.414
6-Months	6.0322%	6.0185%	32.523	33.500
12-Months	6.0273%	6.0273%	0.24	0.25
<b>Total</b>			<b>291.612</b>	<b>296.164</b>

- Today MM initiated at 5.85%-5.95% and traded whole day within the range of 5.85%-5.95% and expected to close at same.
- Today in bond secondary market, when issue traded at the following levels: 3-years at 6.42/41, 5-years at 7.00/6.95 and 10-years at 8.00/7.95 respectively.

**COMMODITIES MARKET:**

- GOLD:** Gold traded higher as investors fled risk assets and sought refuge in safe-haven gold amid rising geopolitical tensions, after expectations grew the U.S. may take military action against North Korea. Yellow metal is currently trading at \$1,276.15 per ounce.
- CRUDE OIL:** Crude oil advanced after reports surfaced that Saudi Arabia supported the idea of extending OPEC-led cuts by an additional six months to the end of the year. Black gold is currently trading at \$18.33 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS				
Date	Events	Actual	Forecast	Previous
11/4/2017	GBP CPI y/y	2.30%	2.20%	2.30%
11/4/2017	GBP PPI Input m/m	0.40%	-0.50%	-0.10%
11/4/2017	GBP RPI y/y	3.10%	3.10%	3.20%
11/4/2017	EUR German ZEW Economic Sentiment	19.5	13.2	12.8
11/4/2017	G7 Meetings			
11/4/2017	USD JOLTS Job Openings	5.74M	5.59M	5.63M
11/4/2017	USD FOMC Member Kashkari Speaks			
12/4/2017	CNY CPI y/y	0.90%	1.10%	0.80%
12/4/2017	CNY PPI y/y	7.60%	7.40%	7.80%

Source: www.forexfactory.com

USD/PKR Fc			
PERIOD	SWAP	Change in Premium	Swap Implied Yield
1-WEEK	0.0414	(0.0061)	3.01%
2-WEEK	0.0900	(0.0075)	3.20%
1-MONTH	0.2024	(0.0051)	3.12%
2-MONTH	0.4161	(0.0064)	3.48%
3-MONTH	0.6083	(0.0092)	3.51%
4-MONTH	0.8221	0.0046	3.63%
5-MONTH	1.0001	(0.0174)	3.61%
6-MONTH	1.1836	(0.0239)	3.70%
12-MONTH	2.5876	0.0351	4.27%

ECONOMIC INDICATOR			
Foreign Reserves	31-Mar-17	USD bn	21.55
CPI-MoM	1-Mar-17		0.8%
CPI-YoY	1-Mar-17		4.9%
GDP Growth	FY17 YTD		4.7%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	6MFY17	USD bn	1.2%
Home Remittance	9MFY17	USD bn	30.57
Current A/C Def.	6MFY17	USD bn	5.43
Trade-Deficit	6MFY17	USD bn	17.389
Kerb USD/PKR	12-Apr-17	Bid/Ask	106.30/50
Govt. Domestic Debt	As at 30-01-2016	Rs tm	36.6%
External Debt	As at 30-09-2016	USD bn	74.6%
M50-EM Index	12-Apr-17	Pts	58.87
PSX-100 Index	4/12/2007	Pts	48,659

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 10-Apr	1.15567%	1.42211%	1.79844%

Money Market		
Tenor	KBOR	PKRV
1-Month	5.76%	5.93%
3-Month	5.86%	5.98%
6-Month	5.90%	6.02%
12-Month	5.95%	6.03%

PIB'S Auction Date		
Tenor	24-Mar-17	12-Apr-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.72/21
3-Years	6.4062%	6.42/40
5-Years	6.8993%	7.00/6.95
10-Years	7.9402%	8.00/7.90

T-Bills Auction Date		
Tenor	30-Mar-17	12-Apr-17
	Cut Off Yields	Bid/Ask
3-Months	5.9910%	5.96/95
6-Months	6.0109%	6.00/5.99
12-Months	5.9935%	6.05/6.00

FHEX FUTURE CONTRACTS					3/4/2017
COMMODITIES	P(L/S)	E-L	T-P	S-L	YTD P & L %
CRUDE OIL	L	5050	5450	4850	
SILVER					
BRENT OIL					
GOLD USD					7.06%
GOLD EUR USD					1.68%
GOLD GBP USD					
GOLD USD JPY					6.62%
GOLD USD CAD					2.46%
GOLD USD CHF					
GOLD AUD USD					

P=POSITION I=LONG S=SHORT P=PROFIT L=LOSS  
 TP=TAKE PROFIT SL=STOP LOSS YTD=YEAR TO DATE