

FX – INTERBANK RATE:

12-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.64	104.64	104.40	104.50	104.68

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.35/104.55**

FX MARKET:

- ✓ The exchange rate slipped lower despite FX reserves declining again. The FX reserves have declined by \$700mn from their highs.
- ✓ Swaps remained unchanged as the market demand supply remained equal. Activity remained muted after the downward movement seen for the last 2days. As we had expected the exporters appear to have decided to offload their export proceeds in the forward as the exchange rate which had fallen from 104.10 has stabilized between at the 104,50 level.
- ✓ SBP released the figure of total FX Reserves for the week ended 5th February, 2016. According to SBP, total FX Reserves declined by \$80mn from last week \$20.27bn to \$20.19bn. The total FX Reserves dropped 5th consecutive week. The breakup of total FX Reserves are as follows: SBP held FX Reserves decreased by \$94.4mn from \$15.43bn to \$15.34bn while FX Reserves held in other banks surged up by \$14.4mn from \$4.84bn to \$4.85bn

MONEY MARKET:

- ✓ Today PBS released the data of weekly inflation for the week ended 11th February, 2016. According to PBS, SPI declined by 0.20% from last week 216.42bps to 215.98bps.
- ✓ Today SBP conducted 7-Day OMO (Injection), where total amount offered has been accepted Rs1.26trn at 6.06%.
- ✓ Today MM initiated at 6.00%-6.25% and traded whole day in the range of 6.00%-6.25% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-Years at 6.38/33, 5-Years at 7.01/6.97 and 10-Years at 8.47/39 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher as sharp declines in European banking stocks. Yellow metal is currently trading at \$1,241.29 per ounce.
- ✓ **CRUDE:** Crude oil declined amid a bearish monthly supply report from OPEC. Black gold is currently trading at \$27.19 per barrel.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1125	0.0025	6.0%
2-WEEK	0.2225	(0.0075)	5.7%
1-MONTH	0.4850	0.0250	5.7%
2-MONTH	0.8900	(0.0050)	5.8%
3-MONTH	1.2950	0.0050	5.6%
4-MONTH	1.6750	(0.0250)	5.1%
5-MONTH	2.0350	0.0050	5.0%
6-MONTH	2.4450	0.0050	5.5%
12-MONTH	4.7500	-	5.7%

Economic Indicators			
Foreign Reserves	05-Feb-16	USD bn	28.195
CPI-MMM	04-Jan-16		8.28%
CPI-YoY	04-Jan-16		3.32%
M2 Growth	FT16YTD		2.62%
SBP Target Rate	FT16YTD		6.00%
FDI	08/07/16	USD mn	624.1
Home Remittance	7/07/16	USD bn	11.198
Current A/C Def.	08/07/16	USD bn	1.267
Trade Deficit	08/07/16	USD bn	10.891
Govt. Domestic Debt	As at 31-12-2015	Bstn	13.108
External Debt	As at 30-09-2015	USD bn	55.629
KSE-100 Index	02/02/16	Pts	31,968.61

Economic Data released over the last 24 hours				
Date	Events	Actual	Forecast	Previous
11/02/16	CHF Consumer Price Index (YoY) (JAN)		-1.30%	-1.30%
11/02/16	CHF CPI EU Harmonized (YoY) (JAN)			-1.40%
11/02/16	USD Initial Jobless Claims (FEB 6)		280k	285k
11/02/16	USD Continuing Claims (JAN 30)		2250k	2255k
11/02/16	CAD New Housing Price Index (YoY) (DEC)			1.60%
11/02/16	USD Fed's Yellen to Appear Before Senate Banking Committee			

Money Market			12-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	12-Feb-16		
	Cut Off Yields		Bid/Ask	
2Years	-	6.35/25		
3Years	6.5002%	6.38/33		
5Years	7.5484%	7.00/6.95		
10Years	8.8509%	8.45/35		
T-Bills Auction Date				
Tenor	04-Feb-16	12-Feb-16		
	Cut Off Yields		Bid/Ask	
3Months	6.2591%	6.22/17		
6Months	6.2665%	6.24/20		
12Months	6.2758%	6.24/20		
Commodities 12/02/16				
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	-	-		
Stop loss	-	-		
Take profit	-	-		