

FX – INTERBANK RATE:

12-Jul	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.86	104.86	104.83	104.84	104.85

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.81/104.88**

FX MARKET:

- ✓ The exchange rate remained broadly unchanged and traded in a 5-paisa range.
- ✓ Swaps was premiums in the longer tenors move higher as the tighter money market with the ceiling being hit lead market players to swap their dollars for rupees. The rise in the FX-Reserves also boosted sentiment and this helped keep the longer tenors elevated. Most of the rise in the 6-months tenors was due to structuring of forward to forward swaps with the 3-months versus 6-months seeing trades being executed at Rs1.05 level.
- ✓ SBP released the figure of total FX Reserves for the week ended 1st July, 2016. According to SBP, Total FX Reserves was massively surged by \$1.319bn or 6.06% as compared to previous week \$21.76bn to \$23.08bn. The break-up of total FX Reserves are as follows: SBP held FX Reserves increased by \$1.309bn from \$16.81bn to \$18.12bn while FX Reserves held in other banks rose by \$9.8mn from \$4.94bn to \$4.95bn. During the week, SBP received \$1.34bn from multilateral, bilateral and other official sources which include \$501mn received from IMF under EFF, \$502mn from WB and \$307mn from ADB and also SBP made payments of \$50mn on account of external debt servicing.

MONEY MARKET:

- ✓ Today SBP conducted 7-Day OMO (Injection), where total amount offered was Rs249bn out of which the amount accepted was Rs225bn at 5.79%.
- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.75%-5.90% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-year at 6.15/10, 5-year at 6.56/53 and 10-year at 7.58/54 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower as Shinzo Abe's landslide victory in Japan. Yellow metal is currently trading at \$1,349.74 per ounce.
- ✓ **CRUDE:** Crude oil declined as long-term concerns related to global oversupply. Black gold is currently trading at \$45.70 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1013	-	5.5%
2-WEEK	0.2000	(0.0025)	5.1%
1-MONTH	0.4325	0.0050	5.3%
2-MONTH	0.8500	(0.0050)	5.3%
3-MONTH	1.2250	0.0100	5.3%
4-MONTH	1.6500	0.0450	4.9%
5-MONTH	1.9450	0.0150	4.8%
6-MONTH	2.2950	0.0250	5.3%
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		12-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	12-July-16	
	Cut Off	Yeilds	Bid/Ask
2-Years	-		6.10/05
3-Years	6.4068%		6.10/05
5-Years	6.9092%		6.55/50
10-Years	8.0197		7.55/50
T-Bills		Auction Date	
Tenor	11-July-16	12-July-16	
	Cut Off	Yeilds	Bid/Ask
3-Months	5.8689%		5.85/78
6-Months	5.9070%		5.85/80
12-Months	5.9123%		5.86/8.
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