

FX – INTERBANK RATE:

15-AUG	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.70	104.70	104.68	104.70	104.65

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.65/104.75**.

FX MARKET:

- ✓ The exchange rate remained in the same narrow trading band that has been since over the course of last week.

Swaps activity was limited to the shorter tenor with downward bias seen in all tenors. While activity remained relatively light, the bias was on the downside.

With Brent oil trading above \$47 the market will be looking at the rapid rise in prices as an indicator of future inflationary impacts on the economy as well as the drain on the FX reserves going forward.

MONEY MARKET:

- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.75%-6.00% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.21/16, 6.71/66 and 7.80/75 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower as a raft of disappointing U.S. economic data reduced the probability of an interest rate hike from the Federal Reserve in the coming months. Yellow metal is currently trading at \$1,344.95 per ounce.
- ✓ **CRUDE:** Crude oil advanced amid rising speculations that the OPEC will meet soon to discuss output stabilization. Black gold is currently trading at \$44.60 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0963	-	5.2%
2-WEEK	0.1900	-	4.9%
1-MONTH	0.4050	(0.0125)	5.1%
2-MONTH	0.8200	0.0200	5.2%
3-MONTH	1.1750	(0.0200)	5.3%
4-MONTH	1.5300	(0.0150)	4.7%
5-MONTH	1.9150	0.0200	4.7%
6-MONTH	2.2700	(0.0100)	5.5%
12-MONTH	4.5500	-	5.9%

Economic Indicators			
Forex Reserves	5-Aug-16	USD bn	22.595
CPI- MoM	1-Jul-16		0.40%
CPI- YoY	1-Jul-16		4.12%
M2 Growth	FY17 YTD		-1.07%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	FY16	USD bn	1.281
Home Remittance	1MFY17	USD bn	1.328
Current A/C Def.	FY16	USD bn	2.525
Trade -Deficit	FY16	USD bn	20.874
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	8/3/2016	Pts	39,615.76

Money Market		15-Aug-16	
	KIBOR	PKRV	
1-Month	5.70%	5.81%	
3-Month	5.73%	5.79%	
6-Month	5.74%	5.78%	
12-Month	5.76%	5.79%	

PIB'S Auction Date		
Tenor	14-July-16 Cut Off Yields	15-Aug-16 Bid/Ask
2-Years	-	6.00/5.97
3-Years	6.2058%	6.20/16
5-Years	6.7029%	6.72/68
10-Years	7.8003%	7.75/72

T-Bills Auction Date		
Tenor	04-Aug-16 Cut Off Yields	15-Aug-16 Bid/Ask
3-Months	5.8571%	5.88/82
6-Months	5.9046%	5.88/86
12-Months	5.9148%	5.90/87

Commodities 08-August-16

Crude Oil Recommendation		
Technical Level	Long@	Short@
Entry level	40.00	-
Stop loss	38.50	-
Take profit	44.00	-

Gold Recommendation		
Technical Level	Long@	Short@
Entry level	1,320	1,370
Stop loss	1,295	1,400
Take profit	1,355	1,320