

FX – INTERBANK RATE:

| 15-Feb | OPEN | HIGH | LOW | CLOSE | Last Day Close |
|--------------|---------------|---------------|---------------|---------------|----------------|
| READY | 104.82 | 104.82 | 104.82 | 104.82 | 104.81 |

FX MARKET:

- Swaps resumed their downward trend today as expected as sellers continued to take advantage of the higher premiums to fund their dollar books. With the same x month premiums still around 30 paise above its lows seen last month, more downside movement can be expected in the next few days.
- According to Dawn newspaper, Pakistan's fiscal deficit touched 2.4% of GDP in the 1st half of current fiscal year.

MONEY MARKET:

- Today SBP held its 17th MTB Auction for FY-16/17, where the target amount is Rs550bn and the maturity amount is above from the target amount Rs588bn. While the total bid participation amount is recorded more than from the target and maturity amount Rs751.56bn. The total bid participation amount is divided in 3, 6 and 12-month tenor Rs374.08bn, Rs222.67bn and Rs154.81bn respectively. We expect MTB Cut-off yield will remain same.

17th 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 | 5.9463% | 5.9417% | 283.060 | 286.931 |
| 6-Months | 5.9896% | 5.9893% | 204.560 | 210.670 |
| 12-Months | 5.9935% | 5.9927% | 143.253 | 151.815 |
| Total | | | 630.873 | 649.416 |

- Today MM initiated at %-% and traded whole day within the range of %-% and expected to close at same.
- Today in bond secondary market, when issue is traded at a following rates: 3-year at 6.40/39, 5-year at 7.00/6.95 and 10-year at 8.15/10 respectively.

COMMODITIES MARKET:

- GOLD:** Gold traded lower after Federal Reserve Chair Janet Yellen told Congress that waiting too long to raise interest rates would be "unwise" as economic growth continues and inflation rises. Yellow metal is currently trading at \$1,227.15 per ounce.
- CRUDE OIL:** Crude oil advanced after the API disclosed that US crude oil inventories jumped 9.94mn barrels to 513.54mn barrels during the week ended 10 February 2017. Black gold is currently trading at \$53.43 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

| Date | Events | Actual | Forecast | Previous |
|---------|-----------------------------------|--------|----------|----------|
| 14-2-17 | EUR German Prelim GDP q/q | 0.40% | 0.50% | 0.20% |
| 14-2-17 | CNY PPI m/m | 0.40% | 0.30% | 0.20% |
| 14-2-17 | GBP CPI y/y | 1.80% | 1.90% | 1.60% |
| 14-2-17 | CPY PPI Input m/m | 1.70% | 1.00% | 2.70% |
| 14-2-17 | GBP RPI y/y | 2.60% | 2.80% | 2.50% |
| 14-2-17 | EUR Flash GDP q/q | 0.40% | 0.50% | 0.50% |
| 14-2-17 | EUR German ZEW Economic Sentiment | 10.4 | 15.1 | 16.6 |
| 14-2-17 | USD PPI m/m | 0.60% | 0.30% | 0.30% |
| 14-2-17 | USD Core PPI m/m | 0.40% | 0.20% | 0.20% |
| 14-2-17 | USD Fed Chair Yellen Testifies | USD | | |
| 14-2-17 | USD FOMC Member Kaplan Speaks | USD | | |

Source: www.forexfactory.com

| PERIOD | SWAP | Change in Premiums | Swap Implied PKR Yield |
|----------|--------|--------------------|------------------------|
| 1-WEEK | 0.0778 | (0.0039) | 4.6% |
| 2-WEEK | 0.1475 | (0.0075) | 4.4% |
| 1-MONTH | 0.2620 | (0.0117) | 3.7% |
| 2-MONTH | 0.4780 | (0.0261) | 3.7% |
| 3-MONTH | 0.6708 | (0.0364) | 3.6% |
| 4-MONTH | 0.8754 | (0.0463) | 3.7% |
| 5-MONTH | 1.0388 | (0.0687) | 3.6% |
| 6-MONTH | 1.2109 | (0.0830) | 3.7% |
| 12-MONTH | 2.6128 | (0.0542) | 4.2% |

ECONOMIC INDICATOR

| Indicator | Period | Unit | Value |
|---------------------|------------------|---------|-----------|
| Forex Reserves | 3-Feb-17 | USD bn | 22.031 |
| CPI- MoM | 1-Jan-17 | | 0.20% |
| CPI- YoY | 1-Jan-17 | | 3.66% |
| M2 Growth | FY17 YTD | | 2.86% |
| SBP Target Rate | FY17 YTD | | 5.75% |
| SBP Discount Rate | FY17 YTD | | 6.25% |
| FDI | 1HFY17 | USD bn | 1.08 |
| Home Remittance | 7MFY17 | USD bn | 10.948 |
| Current A/C Def. | 1HFY17 | USD bn | 3.585 |
| Trade -Deficit | 1HFY17 | USD bn | 12.528 |
| Kerb USD/PKR | 15-Feb-17 | Bid/Ask | 107.30/60 |
| Govt. Domestic Debt | As at 30-11-2016 | Rs trn | 14.645 |
| External Debt | As at 30-09-2016 | USD bn | 74.638 |
| MSCI-EM Index | 2//15/2017 | Pts | 939.91 |
| PSX-100 Index | 15/2/2017 | Pts | 49,362.49 |

| DATA | 3-MONTH | 6-MONTH | 12-MONTH |
|---------------------|-----------------|-----------------|-----------------|
| LIBOR 13-Feb | 1.03900% | 1.33794% | 1.71039% |

| Money Market | | | 15-Feb-17 | |
|--------------|-------|-------|-----------|--|
| Tenor | KIBOR | PKRV | | |
| 1-Month | 5.77% | 5.86% | | |
| 3-Month | 5.84% | 5.92% | | |
| 6-Month | 5.89% | 5.96% | | |
| 12-Month | 5.91% | 5.98% | | |

| PIB'S Auction Date | | |
|--------------------|----------------|-----------|
| Tenor | 26-Jan-17 | 15-Feb-17 |
| | Cut Off Yields | Bid/Ask |
| 2-Years | - | 6.21/18 |
| 3-Years | 6.4074% | 6.40/37 |
| 5-Years | 6.8998% | 6.99/96 |
| 10-Years | 7.9414% | 8.17/10 |

| T-Bills Auction Date | | |
|----------------------|----------------|-----------|
| Tenor | 2-Feb-17 | 15-Feb-17 |
| | Cut Off Yields | Bid/Ask |
| 3-Months | 5.9463% | 5.92/90 |
| 6-Months | 5.9896% | 5.97/94 |
| 12-Months | 5.9935% | 5.99/95 |

| PMEX FUTURE CONTRACTS | | | | | 7/2/2017 |
|-----------------------|---------|--------|--------|--------|-------------|
| COMMODITIES | P (L/S) | E-L | T-P | S-L | YTD P & L % |
| CRUDE-OIL | | | | | |
| SILVER | | | | | |
| BRENT-OIL | | | | | |
| GOLD USD | | | | | 6.06% |
| GOLD-EUR/USD | L | 1.0697 | 1.0850 | 1.0550 | 1.92% |
| GOLD-GBP/USD | | | | | |
| GOLD-USD/JPY | | | | | 4.44% |
| GOLD-USD/CAD | | | | | 2.44% |
| GOLD-USD/CHF | | | | | |
| GOLD-AUD/USD | | | | | |

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