

FX – INTERBANK RATE:

16-May	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.72	104.76	104.72	104.75	104.66

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.70/104.80**

FX MARKET:

- ✓ The exchange rate moved higher today as demand picked up for the routine Monday dollar demand for oil related import payments.
- ✓ Swaps moved lower as selling pressure in the forward markets saw the premium move lower. The 6-months traded at Rs2.41, while the 3-months traded down to Rs1.21. Most of the market players were sellers and looked to build up their dollar holdings.

MONEY MARKET:

- ✓ Today MM initiated at 6.00%-6.20% and traded whole day in the range of 6.05%-6.30% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-years at 6.72/67, 5-years at 7.19/15 and 10-years at 8.50/40 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher as the dollar eased its gains to help gold to gain some ground, ahead of important U.S. data due later in the week. Yellow metal is currently trading at \$1,284.45 per ounce.
- ✓ **CRUDE:** Crude oil declined after the OPEC in its monthly report indicated that the OPEC countries pumped 32.4mn bpd in April, the highest level since at least 2008. Black gold is currently trading at \$47.12 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1025	(0.0038)	5.5%
2-WEEK	0.2100	0.0025	5.4%
1-MONTH	0.4300	(0.0200)	5.3%
2-MONTH	0.8300	0.0125	5.2%
3-MONTH	1.2100	(0.0400)	5.2%
4-MONTH	1.6075	(0.0075)	4.8%
5-MONTH	2.0100	0.0100	4.9%
6-MONTH	2.4150	(0.0175)	5.5%
12-MONTH	4.6500	-	5.7%

Economic Indicators			
Forex Reserves	6-May-16	USD bn	20.834
CPI- MoM	1-Apr-16		1.60%
CPI- YoY	1-Apr-16		4.17%
M2 Growth	FY16 YTD		5.92%
SBP Target Rate	FY16 YTD		6.00%
FDI	9MFY16	USD mn	957.6
Home Remittance	10MFY16	USD bn	16.034
Current A/C Def.	8MFY16	USD bn	1.859
Trade -Deficit	8MFY16	USD bn	13.372
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	5/2/2016	Pts	34,567.52

Money Market			16-May-16
	KIBOR	PKRV	
1-Month	6.00%	6.19%	
3-Month	6.11%	6.19%	
6-Month	6.11%	6.21%	
12-Month	6.16%	6.22%	

PIB'S Auction Date		
Tenor	21-Apr-16	16-May-16
	Cut Off Yields	Bid/Ask
2-Years	-	6.60/45
3-Years	6.5492%	6.65/60
5-Years	6.9997%	7.15/10
10-Years	8.1804%	8.45/35

T-Bills Auction Date		
Tenor	12-May-16	16-May-16
	Cut Off Yields	Bid/Ask
3-Months	6.2591%	6.22/15
6-Months	6.2665%	6.26/20
12-Months	6.2758%	6.29/25

Commodities			5/12/2016
Gold Recommendation			
Level	Long@	Short@	
Entry level	1260	1335	
Stop loss	1240	1355	
Take profit	1290	1300	

Crude Recommendation		
Level	Long@	Short@
Entry level	42.5	47
Stop loss	40.5	49
Take profit	46.5	44