

**FX – INTERBANK RATE:**

| 17-Nov | OPEN   | HIGH   | LOW    | CLOSE  | Last Day Close |
|--------|--------|--------|--------|--------|----------------|
| READY  | 104.83 | 104.85 | 104.82 | 104.82 | 104.80         |

**FX MARKET:**

- ✓ The exchange rate remained stable even as the international dollar index traded above the 100-mark for the 1<sup>st</sup> time this year.
- ✓ Swaps again moved lower today as the dollar demand remained unabated. With the dollar in demand across the globe and with regional currencies like the Chinese Yuan also losing value against the greenback, market players appear to be building own nostos in anticipation of a More severe dollar crunch.
- ✓ Yesterday, SBP has announced a reduction in Statutory Liquidity Requirement (SLR) for Islamic banks and Islamic banking branches by 5% to fix at 14% from 19%.

**MONEY MARKET:**

- ✓ Yesterday, SBP held its 5<sup>th</sup> PIB Auction for FY-16/17, where the target amount was Rs50bn while the maturity amount was NIL. While the total bid participation was recorded more than double from the target amount Rs113.84bn. But the Government rejected the bids of all periods.
- ✓ Today MM initiated at 5.70%-5.80% and traded whole day with in the range of 5.70%-5.80% and expected to close at same.

**COMMODITY MARKET:**

- ✓ **GOLD:** Gold traded lower as the US Dollar surged to its highest level in 14 years against its major peers amid mounting expectations that the Federal Reserve will hike interest rates next month. Yellow metal is currently trading at \$1,229.63 per ounce.
- ✓ **CRUDE:** Crude oil declined after flipping b/w gains and losses, after the EIA stated that US crude stockpiles rose more-than-expected by 5.3mn barrels to 490.3mn barrels last week increasing for a 3<sup>rd</sup> straight week. Black gold is currently trading at \$46.49 per barrel.

| USD/PKR Fc |        |                    |                        |
|------------|--------|--------------------|------------------------|
| PERIOD     | SWAP   | Change in Premiums | Swap Implied PKR Yield |
| 1-WEEK     | 0.0800 | 0.0025             | 4.4%                   |
| 2-WEEK     | 0.1450 | 0.0050             | 3.8%                   |
| 1-MONTH    | 0.3050 | 0.0150             | 4.0%                   |
| 2-MONTH    | 0.5950 | (0.0150)           | 4.0%                   |
| 3-MONTH    | 0.8750 | (0.0250)           | 4.2%                   |
| 4-MONTH    | 1.1800 | (0.0250)           | 3.7%                   |
| 5-MONTH    | 1.4600 | (0.0450)           | 3.6%                   |
| 6-MONTH    | 1.7600 | (0.0300)           | 4.6%                   |
| 12-MONTH   | 4.0000 | 0.0500             | 5.4%                   |

| Economic Indicators |                  |        |           |
|---------------------|------------------|--------|-----------|
| Forex Reserves      | 4-Nov-16         | USD bn | 24.153    |
| CPI- MoM            | 1-Oct-16         |        | 0.80%     |
| CPI- YoY            | 1-Oct-16         |        | 4.21%     |
| M2 Growth           | FY17 YTD         |        | 0.12%     |
| SBP Target Rate     | FY17 YTD         |        | 5.75%     |
| SBP Discount Rate   | FY17 YTD         |        | 6.25%     |
| FDI                 | 4MFY17           | USD mn | 316.1     |
| Home Remittance     | 4MFY17           | USD bn | 6.258     |
| Current A/C Def.    | 1QFY17           | USD bn | 1.368     |
| Trade -Deficit      | 1QFY17           | USD bn | 6.078     |
| Govt. Domestic Debt | As at 31-08-2016 | Rs trn | 14.554    |
| External Dbt        | As at 30-06-2016 | USD bn | 72.978    |
| MSCI-EM Index       | 11/11/2016       | Pts    | 862.83    |
| KSE-100 Index       | 11/11/2016       | Pts    | 42,854.88 |

| Money Market |       |  | 17-Nov-16 |
|--------------|-------|--|-----------|
|              | KIBOR |  | PKRV      |
| 1-Month      | 5.74% |  | 5.87%     |
| 3-Month      | 5.80% |  | 5.92%     |
| 6-Month      | 5.82% |  | 5.94%     |
| 12-Month     | 5.89% |  | 5.98%     |

| PIB'S Auction Date |                |           |  |
|--------------------|----------------|-----------|--|
| Tenor              | 22-Sep-16      | 17-Nov-16 |  |
|                    | Cut Off Yeilds | Bid/Ask   |  |
| 2-Years            | -              | 6.06/03   |  |
| 3-Years            | 6.1970%        | 6.26/22   |  |
| 5-Years            | 6.7010%        | 6.84/81   |  |
| 10-Years           | 7.7995%        | 7.98/94   |  |

| T-Bills Auction Date |                |           |  |
|----------------------|----------------|-----------|--|
| Tenor                | 10-Nov-16      | 17-Nov-16 |  |
|                      | Cut Off Yeilds | Bid/Ask   |  |
| 3-Months             | 5.9463%        | 5.91/89   |  |
| 6-Months             | 5.9471%        | 5.92/90   |  |
| 12-Months            | 5.9148%        | 5.98/94   |  |

**Commodities 15-September-16**

| Crude Oil Recommendation |       |        |
|--------------------------|-------|--------|
| Technical Level          | Long@ | Short@ |
| Entry level              | -     | -      |
| Stop loss                | -     | -      |
| Take profit              | -     | -      |

| Gold Recommendation |       |        |
|---------------------|-------|--------|
| Technical Level     | Long@ | Short@ |
| Entry level         | -     | -      |
| Stop loss           | -     | -      |
| Take profit         | -     | -      |