

FX – INTERBANK RATE:

21-Dec	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.85	104.86	104.85	104.85	104.85

MONEY MARKET:

- ✓ Today PBS released the data of LSMI for the month of October, 2016. According to PBS, LSMI output surged-up by 3.00bps or 2.42% as compared to the previous month 124.16bps to 127.16 while for 4MFY-16/17, LSMI output climbed by 2.47bps or 2.03% as compared to the same period of last fiscal year 121.56bps to 124.03bps. The sectors which showed growth and which posted decline are as follows: Iron & Steel Products 12.93%, Electronics 12.91% and Non-Metallic Mineral Products 10.62% and Wood Products 97.47%, Leather Products 19.19% and Engineering Products 12.89% respectively.
- ✓ Today SBP held its 13th MTB Auction for FY-16/17, where the target amount is Rs150bn and maturity amount is Rs125.89bn. While the total bid participation amount is recorded more than the target and maturity amount Rs197.46bn. The total bid participation amount is divided in 3, 6 and 12-month tenor Rs120.20bn, Rs74.76bn and Rs2.5bn respectively. We expect that the 3 and 6-months cut of yields remained un-changed while 12-months bids may be rejected.

13th 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%	5.9463%	60.726	61.557
6-Months	5.9471%	5.9471%	21.620	22.261
12-Months	BIDS MAY BE REJECTED			
Total			82.346	83.818

- ✓ Today MM initiated at 5.85%-5.95% and traded whole day with in the range of 5.85%-5.95% and expected to close at same.
- ✓ Today in bond secondary market when-issue traded at following levels: 3-year at 6.58/55, 5-year at 7.45/39 and 10-year at 8.53/47 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower amid strength in global equities and a stronger US Dollar. Yellow metal is currently trading at \$ per ounce.
- ✓ **CRUDE:** Crude oil advanced after the API reported a larger than expected draw of 4.2mn barrels in the US crude stockpiles last week. Black gold is currently trading at \$ per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Events	Actual	Forecast	Previous
20-12-16	CHF Trade Balance (Swiss franc) (NOV)	3.64b	3.56b	2.66b
20-12-16	NZD Dairy Auction Avg. Winning Price MT (DEC 20)	\$3,656		\$3,622
20-12-16	NZD Dairy Auction Whole Milk Powder MT (DEC 20)	\$3,568		\$3,593
20-12-16	CNY Conference Board China November Leading			

Source: www.dailyfx.com

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0765	(0.0010)	4.5%
2-WEEK	0.1000	(0.0050)	2.7%
1-MONTH	0.2644	0.0044	3.7%
2-MONTH	0.5096	(0.0204)	3.7%
3-MONTH	0.7464	(0.0286)	3.8%
4-MONTH	1.0198	(0.0552)	3.2%
5-MONTH	1.2992	(0.0508)	3.3%
6-MONTH	1.5961	(0.0489)	4.3%
12-MONTH	3.6447	(0.1053)	5.2%

ECONOMIC INDICATOR

Forex Reserves	9-Dec-16	USD bn	23.294
CPI - MoM	1-Nov-16		0.20%
CPI - YoY	1-Nov-16		3.81%
M2 Growth	FY17 YTD		0.12%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	5MFY17	USD mn	459.8
Home Remittance	5MFY17	USD bn	7.874
Current A/C Def.	4MFY17	USD bn	1.762
Trade -Deficit	4MFY17	USD bn	7.796
Kerb USD/PKR	21-Dec-16	Bid/Ask	107.90/108.20
Govt. Domestic Debt	As at 31-08-2016	Rs trn	14.554
External Debt	As at 30-06-2016	USD bn	72.978
MSCI-EM Index	21/12/2016	Pts	851.5
PSX-100 Index	21/12/2016	Pts	47,047.24

Money Market 21-Dec-16

Tenor	KIBOR	PKRV
1-Month	5.76%	5.90%
3-Month	5.86%	5.94%
6-Month	5.89%	5.97%
12-Month	5.92%	6.04%

PIB'S Auction Date

Tenor	22-Sep-16	21-Dec-16
	Cut Off Yields	Bid/Ask
2-Years	-	6.15/13
3-Years	6.1970%	6.41/39
5-Years	6.7010%	7.21/19
10-Years	7.7995%	8.39/34

T-Bills Auction Date

Tenor	08-Dec-16	21-Dec-16
	Cut Off Yields	Bid/Ask
3-Months	5.9463%	5.94/92
6-Months	5.9471%	6.00/5.97
12-Months	5.9485%	6.05/02

PMEX FUTURE CONTRACTS

COMMODITIES	P (L/S)	E-L	T-P	S-L	STATUS (ACTIVE/TBE)
CRUDE-OIL					
SILVER					
GOLD-USD	L	1140.00	1180.00	1120.00	ACTIVE
GOLD-EUR/USD	L	1.0380	1.0600	1.0280	ACTIVE
GOLD-GBP/USD					
GOLD-USD/JPY	S	118.60	116.00	120.00	TBE
GOLD-USD/CAD	S	1.3390	1.3500	1.3200	ACTIVE
GOLD-USD/CHF					
GOLD-AUD/USD	L	0.7290	0.7200	0.7400	ACTIVE

P= POSITION L= LONG S= SHORT TBE= TO BE ENTERED
EL= ENTRY LEVEL TP= TAKE PROFIT SL= STOP LOSS