

FX – INTERBANK RATE:

21-Mar	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.73	104.75	104.72	104.74	104.68

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.65/104.80**

FX MARKET:

The USDPKR moved higher from Friday's close as demand picked up due to oil related payments.

Swaps moved slightly lower as the dollar demand picked up but the longer tenors remained at the high end. As the FX reserves have increased for the last 3-weeks, so has the pickup in premiums. Unless there is a sharp demand for dollars towards month end it is highly probable that premiums will remain at these elevated levels.

MONEY MARKET:

- ✓ Today SBP conducted its 9th PIB auction for FY16, where the target amount is Rs75bn while the maturity amount is Rs44.83bn. The total bid participation was recorded Rs217.13bn almost 3-times higher from the target amount. The bid participations recorded in 3, 5 and 10 year period was as follows: 3-year Rs74.11bn, 5-years Rs120.06bn and 10-years Rs22.95bn respectively. While no bid participation was recorded in 20years period. We expect drop in cut-off yields.

- ✓ Today MM initiated at 6.00%-6.25% and traded whole day in the range of 6.00%-6.25% and closed at 6.10%-6.40%.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower as a broad strength in the greenback curbed investor's appetite for the precious yellow metal. Yellow metal is currently trading at \$1,246.65 per ounce.
- ✓ **CRUDE:** Crude oil declined over renewed supply glut concerns, after Baker Hughes reported that the US oil rig count advanced by 1 to a level of 387 in the week ended 18 March, rising for the 1st time since December 2015. Black gold is currently trading at \$41.00 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1075	(0.0050)	5.8%
2-WEEK	0.2125	(0.0025)	5.5%
1-MONTH	0.4650	(0.0150)	5.7%
2-MONTH	0.9300	0.0150	5.8%
3-MONTH	1.3250	(0.0300)	5.7%
4-MONTH	1.7100	0.0150	5.0%
5-MONTH	2.1000	0.0100	5.1%
6-MONTH	2.4900	0.0150	5.6%
12-MONTH	4.8500	0.2500	5.9%

Economic Indicators			
Forex Reserves	11-Mar-16	USD bn	20.718
CPI- MoM	01-Feb-16		-0.30%
CPI- YoY	01-Feb-16		4.02%
M2 Growth	FY16 YTD		4.10%
SBP Target Rate	FY16 YTD		6.00%
FDI	8MFY16	USD mn	750.9
Home Remittance	8MFY16	USD bn	12.714
Current A/C Def.	7MFY16	USD bn	2.036
Trade -Deficit	7MFY16	USD bn	12.076
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	21/03/16	Pts	33,100.46

Money Market		21-Mar-16	
	KIBOR	PKRV	
1Month	5.99%	6.20%	
3Month	6.10%	6.18%	
6Month	6.10%	6.19%	
12Month	6.14%	6.20%	

PIB'S Auction Date		
Tenor	25-Feb-16	21-Mar-16
	Cut Off Yields	Bid/Ask
2Years	-	6.24/19
3Years	6.3469%	6.32/29
5Years	7.0492%	6.96/93
10Years	8.2505%	8.26/22

T-Bills Auction Date		
Tenor	17-Mar-16	21-Mar-16
	Cut Off Yields	Bid/Ask
3Months	6.1697%	6.19/15
6Months	6.2026%	6.19/17
12Months	6.2192%	6.22/19

Commodities 15/03/16		
Gold Recommendation		
Level	Long@	Short@
Entry level	1210	1275
Stop loss	1190	1295
Take profit	1255	1255

Crude Recommendation		
Level	Long@	Short@
Entry level	34	40
Stop loss	32	31
Take profit	37	38