

FX – INTERBANK RATE:

22-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.85	104.87	104.84	104.84	104.78

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.80/104.90**

FX MARKET:

- ✓ The exchange rate managed slight gains today as payment pressure lead to demand for the greenback.
- ✓ Swaps moved lower today, with premiums moving lower across the board. The market appears to be moving in a band of 5-7paisa's where demand and supply appear to be the driving force for the daily fluctuations. With the exchange rate stable, the current swap premiums are already trading at their highs and hence are susceptible to sharp downward movements if foreign inflows do not materialize as the market has been expecting lately.
- ✓ SBP released the data of Current Account (CA) Deficit for the month ended January, 2016. According to SBP, CA Deficit figure posted increase by \$172mn from the previous month \$438mn to \$610mn. For 7MFY16, CA Deficit declined by \$605mn as compared to the same period of previous fiscal year \$2.64bn to \$2.03bn. The figure of CA Deficit made by following data: Trade Deficit plunged by \$683mn from \$12.75bn to \$12.07bn, Primary Income rose by \$98mn from \$2.69bn to \$2.79bn while the balance of Secondary Income was up by \$21mn from \$12.81bn to \$12.83bn.
- ✓ SBP also revealed the data of Trade Deficit) for the month ended January, 2016. According to SBP, Trade Deficit fell by \$257mn from previous month \$2.07bn to \$1.82bn. For 7MFY16, Trade Deficit (Goods and Services) plunged by \$683mn as compared to the same period of last fiscal year \$12.75bn to \$12.07bn. Trade deficit (Goods) fell by \$137mn from \$10.93bn to \$1.79bn while trade deficit (Services) declined by \$546mn from \$1.82bn to \$1.27bn.

MONEY MARKET:

- ✓ Today MM initiated at 6.00%-6.25% and traded whole day in the range of 6.00%-6.20% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded at following levels: 3-Years at 6.40/33, 5-Years at 7.02/6.95 and 10-Years at 8.50/45 respectively.

PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1088	(0.0028)	5.8%
2-WEEK	0.2075	(0.0100)	5.3%
1-MONTH	0.4350	(0.0450)	5.2%
2-MONTH	0.8950	(0.0025)	5.8%
3-MONTH	1.3000	-	5.6%
4-MONTH	1.6600	(0.0250)	5.1%
5-MONTH	2.0400	(0.0150)	5.0%
6-MONTH	2.4400	(0.0100)	5.5%
12-MONTH	4.6500	-	5.6%

Economic Indicators			
Forex Reserves	12-Feb-16	USD bn	28307
CPI-MMM	01-Jan-16		0.20%
CPI-Tot	01-Jan-16		3.32%
M2 Growth	FY16 YTD		3.05%
SBP Target Rate	FY16 YTD		6.00%
FDI	7MFY16	USD mn	607.9
Home Remittance	7MFY16	USD bn	11198
Current A/C Def.	7MFY16	USD bn	2036
Trade Deficit	7MFY16	USD bn	12076
Govt. Domestic Debt	As at 31-12-2015	Bstrn	13188
External Debt	As at 31-12-2015	USD bn	95689
ISF-100 Index	02/02/16	Pts	31,948.61

Money Market	22-Feb-16	
	KIBOR	PKRV
1Month	6.53%	6.49%
3Month	6.56%	6.50%
6Month	6.62%	6.52%
12Month	6.91%	6.57%

PIB'S Auction Date		
Tenor	28-Jan-16	22-Feb-16
	Cut Off	Yeilds Bid/Ask
2Years	-	6.30/25
3Years	6.5002%	6.40/35
5Years	7.5484%	7.00/6.95
10Years	8.8509%	8.45/40
T-Bills Auction Date		
Tenor	18-Feb-16	22-Feb-16
	Cut Off	Yeilds Bid/Ask
3Months	6.2144%	6.21/15
6Months	6.2239%	6.22/18
12Months	6.2419%	6.22/17

Commodities 22/02/16		
Crude Oil Recommendation		
Level	Long@	Short@
Entry level	1215.00	1240.00
Stop loss	1200.00	1260.00
Take profit	1235.00	1210.00

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