

FX – INTERBANK RATE:

22-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.85	104.86	104.85	104.85	104.85

FX MARKET:

- Swaps moved higher today after posting two days of declines at the start of this week. The 3-months saw a high of 59paise while the 6-months traded at Rs1.13.

MONEY MARKET:

- Yesterday, PBS released the data of LSMI for the month ended December, 2016. According to PBS, LSMI output was surged by 12.89% as compared to the previous month 132.81bps to 149.93bps. For 1HFY-16/17, LSMI Output increased by 3.90% as compared to the same period of last fiscal year 124.97bps to 129.83bps. The Sectors that showed positive growth are as follows: Iron & Steel Products 15.63%, Electronics 14.35% and Pharmaceuticals 7.90% respectively. The sectors that recorded decline in output are as follows: Wood Products 96.41% and Leather Products 18.93% respectively.
- Today SBP held its 8th PIB Auction for FY-16/17, where the target amount is Rs50bn while the maturity amount is Rs9.0bn. The total bid participation is recorded more than 4-times higher from the target amount Rs201.72bn. The total bid participation is divided in 3, 5, 10 and 20-years are Rs90.75bn, Rs17.15bn, Rs4.12bn and Rs89.7bn respectively. We expect that 3-year PIB Cut-off yield remained same while PIB Cut-off yield for 5 and 10-year rose by 10 abd 21bps and bids may be rejected for 20-years period.

8th PIB 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-Years	6.4028%	6.3753%	52.218	51.401
5-Years	7.0009%	7.0001%	1.649	1.601
10-Years	8.1501%	8.1474%	2.107	2.026
20-Years	Bids may be rejected		-	-
Total			55.974	55.028

- Today MM initiated at 5.50%-5.70% and traded whole day within the range of 5.50%-5.70% and expected to close at same.

COMMODITIES MARKET:

- GOLD:** Gold traded lower pressured by a spike in the dollar, after 2-Federal Reserve policymakers hinted at a possible rate hike in March. Yellow metal is currently trading at \$1,237.80 per ounce.
- CRUDE OIL:** Crude oil advanced after OPEC secretary General reiterated that the oil cartel was sticking to its agreement to cut production and expressed confidence that compliance would be higher in the coming months. Black gold is currently trading at \$54.12 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Events	Actual	Forecast	Previous
21-2-17	EUR French Flash Manufacturing PMI	52.3	53.5	53.6
21-2-17	EUR French Flash Services PMI	56.7	53.8	54.1
21-2-17	EUR German Flash Manufacturing PMI	57	56.2	56.4
21-2-17	EUR German Flash Services PMI	54.4	53.6	53.4
21-2-17	EUR Flash Manufacturing PMI	55.5	55	55.2
21-2-17	EUR Flash Services PMI	55.6	53.7	53.7
21-2-17	GBP Public Sector Net Borrowing	-9.8B	-14.4B	4.2B
21-2-17	GBP Inflation Report Hearings			
21-2-17	EUR ECOFIN Meetings			
21-2-17	USD FOMC Member Kashkari Speaks			
21-2-17	NZD GDT Price Index	-3.20%		1.30%
21-2-17	USD FOMC Member Harker Speaks			
22-2-17	AUD RBA Gov Lowe Speaks			
22-2-17	AUD Construction Work Done q/q	-0.20%	0.50%	-4.40%
22-2-17	AUD Wage Price Index q/q	0.50%	0.50%	0.40%

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0509	0.0034	3.3%
2-WEEK	0.0963	0.0113	3.2%
1-MONTH	0.2027	(0.0023)	3.1%
2-MONTH	0.3981	0.0181	3.2%
3-MONTH	0.5797	(0.0003)	3.3%
4-MONTH	0.7853	0.0053	3.4%
5-MONTH	0.9352	0.0102	3.4%
6-MONTH	1.1149	0.0149	3.5%
12-MONTH	2.5759	0.0209	4.2%

ECONOMIC INDICATOR			
Forex Reserves	10-Feb-17	USD bn	21.824
CPI- MoM	1-Jan-17		0.20%
CPI- YoY	1-Jan-17		3.66%
M2 Growth	FY17 YTD		2.86%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	7MFY17	USD bn	1.161
Home Remittance	7MFY17	USD bn	10.948
Current A/C Def.	7MFY17	USD bn	4.716
Trade -Deficit	7MFY17	USD bn	15.208
Kerb USD/PKR	22-Feb-17	Bid/Ask	107.30/60
Govt. Domestic Debt	As at 30-11-2016	Rs trn	14.645
External Debt	As at 30-09-2016	USD bn	74.638
MSCI-EM Index	22-Feb-17	Pts	950.19
PSX-100 Index	22/2/2017	Pts	49,120.33

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 20-Feb	1.05011%	1.35711%	1.73539%

Money Market		
Tenor	KIBOR	PKRV
1-Month	5.76%	5.91%
3-Month	5.84%	5.94%
6-Month	5.89%	5.97%
12-Month	5.90%	5.99%

PIB'S Auction Date		
Tenor	26-Jan-17	22-Feb-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.21/19
3-Years	6.4074%	6.40/36
5-Years	6.8998%	6.99/96
10-Years	7.9414%	8.17/10

T-Bills Auction Date		
Tenor	16-Feb-17	22-Feb-17
	Cut Off Yields	Bid/Ask
3-Months	5.9463%	5.94/92
6-Months	5.9896%	5.98/96
12-Months	5.9935%	5.99/95

PMEX FUTURE CONTRACTS					22/2/2017
COMMODITIES	P (L/S)	E-L	T-P	S-L	YTD P & L %
CRUDE-OIL					
SILVER					
BRENT-OIL					
GOLD USD	L	1230.00	1255.00	1210.00	6.05%
GOLD-EUR/USD	L	1.0600	1.0850	1.0500	0.55%
GOLD-GBP/USD					
GOLD-USD/JPY	S	114.00	111.50	115.00	4.44%
GOLD-USD/CAD					2.44%
GOLD-USD/CHF					
GOLD-AUD/USD					

P= POSITION L= LONG S= SHORT P= PROFIT L= LOSS
TP= TAKE PROFIT SL= STOP LOSS YTD= YEAR TO DATE