

FX – INTERBANK RATE:

23-AUG	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.84	104.84	104.81	104.81	104.83

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.75/104.85**

FX MARKET:

- ✓ The exchange recovered a few paisa's today as the tight money markets gave players an incentive to sell the greenback in favor of managing their rupee liquidity.
- ✓ Swaps started the day initially on the lower side as bidders were still vary of dollar pressure that could re-emerge following yesterday strong demand. However the market rebounded from the lows, in part helped by the tight rupee liquidity and by players who saw the low premiums as an opportunity to build up positions at favorable yields.

MONEY MARKET:

- ✓ Today PBS released the data of LSMI for the month of June, 2016. According to PBS, LSMI Output decreased by 2.62% as compared to the last month 125.89bps to 122.59bps while it is increased by 3.21% as compared to the previous fiscal year 127.89bps to 132.00bps. The sectors which recorded growth areas under: Automobiles 16.11%, Fertilizers 13.81% and Non-Metallic Mineral Product 10.02 respectively. While the sectors which posted decline areas under: Wood Products 65.83% and Engineering Products 14.43% respectively.
- ✓ Today SBP conducted 3-Days OMO (Injection), where total amount offered was Rs83bn while the amount accepted was Rs58bn at 5.81%.
- ✓ Today MM initiated at 6.00%-6.20% and traded whole day with in the range of 5.75%-6.00% and expected to close at same.
- ✓ Today in bond secondary market, when issue is traded in 3, 5 and 10-years at 6.19/18, 6.70/68 and 7.81/78 respectively.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower amid indications the Federal Reserve could raise interest rates as soon as next month. Yellow metal is currently trading at \$1,340.49 per ounce.
- ✓ **CRUDE:** Crude oil declined as investors chose to cash in their gains following this month's impressive rally, which analysts warned was not justified by fundamentals. Crude is currently trading at \$47.02 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0825	0.0225	4.5%
2-WEEK	0.1750	0.0150	4.5%
1-MONTH	0.3750	0.0150	4.7%
2-MONTH	0.7600	0.0050	4.9%
3-MONTH	1.1450	0.0350	5.2%
4-MONTH	1.5000	0.0400	4.6%
5-MONTH	1.8500	0.0100	4.5%
6-MONTH	2.2250	0.0100	5.4%
12-MONTH	4.4000	(0.0500)	5.7%

Economic Indicators			
Forex Reserves	12-Aug-16	USD bn	22.623
CPI- MoM	1-Jul-16		0.40%
CPI- YoY	1-Jul-16		4.12%
M2 Growth	FY17 YTD		-1.07%
SBP Target Rate	FY17 YTD		5.75%
SBP Discount Rate	FY17 YTD		6.25%
FDI	1MFY17	USD mn	64.3
Home Remittance	1MFY17	USD bn	1.328
Current A/C Def.	1MFY17	USD mn	591.000
Trade -Deficit	1MFY17	USD bn	1.588
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	8/3/2016	Pts	39,615.76

Money Market			23-Aug-16	
	KIBOR		PKRV	
1-Month	5.70%		5.81%	
3-Month	5.73%		5.79%	
6-Month	5.74%		5.78%	
12-Month	5.76%		5.79%	

PIB'S Auction Date			
Tenor	14-July-16	23-Aug-16	
	Cut Off Yields	Bid/Ask	
2-Years	-	6.00/5.95	
3-Years	6.2058%	6.19/16	
5-Years	6.7029%	6.70/67	
10-Years	7.8003%	7.79/76	

T-Bills Auction Date			
Tenor	18-Aug-16	23-Aug-16	
	Cut Off Yields	Bid/Ask	
3-Months	5.8571%	5.85/82	
6-Months	5.9046%	5.90/87	
12-Months	5.9148%	5.91/88	

Commodities 17-August-16			
Crude Oil Recommendation			
Technical Level	Long@	Short@	
Entry level	44.00	49.00	
Stop loss	42.00	52.00	
Take profit	47.00	46.00	

Gold Recommendation			
Technical Level	Long@	Short@	
Entry level	1,320	1,370	
Stop loss	1,295	1,400	
Take profit	1,355	1,320	