

FX – INTERBANK RATE:

24-Aug	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.78	104.80	104.77	104.78	104.81

✓ **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 ADB has approved an \$810mn multi-tranche financing facility to develop Pakistan's power transmission system to improve the reliability and quality of energy supply and to meet increasing demand for electricity.

MONEY MARKET:

- ✓ Today SBP held its 2nd PIB Auction for FY-16/17, where the target amount is Rs100bn and the maturity amount is Rs281.29bn. The total bid participation is recorded more than 2-times higher from the target amount Rs319.12bn. The total bid participation is divided in 3, 5 and 10-years are Rs173.62bn, Rs73.82bn and Rs71.66bn respectively. We expect rise in cut-off yields.

2nd 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	6.2205%	6.1865%	110.274	105.664
5-Years	6.7191%	6.6886%	67.359	63.046
10-Years	7.8206%	7.7625%	53.581	48.88
Total			231.214	217.59

- ✓ Today MM initiated at 5.90%-6.10% and traded whole day with in the range of 5.90%-6.10% 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 as the U.S. dollar weakened with markets in wait and see mode ahead of a speech by Federal Reserve Chair later this week that could provide clues about the timing of a U.S interest rate hike. Yellow metal is currently trading at \$1,342.65 per ounce.
- ✓ **CRUDE:** Crude oil advanced after Iran showed signs of co-operation in a deal to stabilize the market. Crude is currently trading at \$47.20 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0750	(0.0075)	4.2%
2-WEEK	0.1600	(0.0150)	4.2%
1-MONTH	0.4000	0.0250	5.0%
2-MONTH	0.7600	-	4.9%
3-MONTH	1.1500	0.0050	5.2%
4-MONTH	1.5200	0.0200	4.7%
5-MONTH	1.8650	0.0150	4.6%
6-MONTH	2.2150	(0.0100)	5.4%
12-MONTH	4.4500	0.0500	5.8%

Economic Indicators

Indicator	Period	Unit	Value
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**24-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	24-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	24-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