

FX – INTERBANK RATE:

25-Feb	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.52	104.62	104.49	104.61	104.68

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.45/104.65**

FX MARKET:

- ✓ The exchange rate remained at the lows seen from yesterday as tight MM conditions meant rupee was in demand.
- ✓ Swaps moved higher across all tenors with the 6-months trading at Rs2.48, 5months at Rs2.07 and 4-months traded up to a high of Rs1.72. The market dipped thereafter as premium sellers saw these levels as good selling opportunities

MONEY MARKET:

- ✓ Yesterday SBP conducted its 8th PIB auction for FY16, where Govt. borrowed Rs137.87bn which is higher from both the target and maturity amount Rs50bn and Rs23.85bn respectively. The total bid participation was recorded Rs241.76bn almost 5-times higher from the target amount. The Govt. borrowed in 3, 5 and 10 year period was as follows: 3year Rs58.24bn, 5years Rs72.45bn and 10years Rs7.18bn respectively. As per our expectation, cut-off yields dropped. The cut-off yields dropped in 3, 5 and 10-years by 15bps, 50bps and 60bps from 6.50% to 6.35%, 7.55% to 7.05% and 8.85% to 8.25%.
- ✓ Today SBP conducted 8-Days OMO (Injection), where total amount offered was Rs234.6bn from which the amount accepted was Rs221.6bn at 6.07%.
- ✓ Today MM initiated at 6.10%-6.25% and traded whole day in the range of 6.00%-6.10% and expected to close at same.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded higher as investors engaged in a flight to safety amid mounting concerns on the sweeping effects of crashing oil prices on global markets overall. Yellow metal is currently trading at \$1,233.63 per ounce.
- ✓ **CRUDE:** Crude oil advanced as crude inventories rose less sharply than anticipated after a report from the API raised expectations for a massive supply build. Black gold is currently trading at \$31.93 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in	Swap Implied
1-WEEK	0.1125	-	6.0%
2-WEEK	0.2150	-	5.5%
1-MONTH	0.4550	0.0150	5.4%
2-MONTH	0.9100	(0.0050)	5.9%
3-MONTH	1.3150	0.0100	5.7%
4-MONTH	1.7300	0.0450	5.3%
5-MONTH	2.0700	0.0050	5.0%
6-MONTH	2.4800	0.0300	5.6%
12-MONTH	4.6500	-	5.6%

Economic Indicators			
Foreign Reserves	12-Feb-16	USD bn	28307
CPI - MoM	01-Jan-16		0.20%
CPI - YoY	01-Jan-16		3.32%
M2 Growth	FY16 YTD		3.87%
SBP Target Rate	FY16 YTD		6.00%
FDI	7MFY16	USD mn	647.9
Home Remittance	7MFY16	USD bn	11.190
Current A/C Def.	7MFY16	USD bn	2.856
Trade Deficit	7MFY16	USD bn	12.876
Govt. Domestic Debt	As at 31-12-2015	Rs bn	13.100
External Debt	As at 30-09-2015	USD bn	55.689
RSE-100 Index	02/02/16	Pts	31,968.61

Money Market		25-Feb-16	
	KIBOR		PKRV
1Month	6.00%		6.21%
3Month	6.10%		6.21%
6Month	6.11%		6.21%
12Month	6.15%		6.18%

PIB'S Auction Date		
Tenor	25-Feb-16	25-Feb-16
	Cut Off Yields	Bid/Ask
2Years	-	6.30/20
3Years	6.3469%	6.35/30
5Years	7.0492%	7.01/6.97
10Years	8.2505%	8.30/27

T-Bills Auction Date		
Tenor	18-Feb-16	25-Feb-16
	Cut Off Yields	Bid/Ask
3Months	6.2144%	6.25/20
6Months	6.2239%	6.22/15
12Months	6.2419%	6.22/15

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	-	-