

FX – INTERBANK RATE:

25-AUG	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.83	104.83	104.81	104.81	104.78

✓ **Forecast for tomorrow:**

As per today's activity, we expect the market to continue to trade within the range of **104.75/104.90**

FX MARKET:

- ✓ SBP revealed the figure of total FX Reserves for the week ended 18th August, 2016. According to SBP, Total FX Reserves was surged-up by \$458mn as compared to the previous week \$22.62bn to \$23.08bn. The break-up of total FX Reserves are as follows: SBP held FX Reserves rose by \$467.2mn from \$17.71bn to \$18.18bn while FX Reserves held in other banks fell by \$9.2mn from \$4.90bn to \$4.89bn.

MONEY MARKET:

- ✓ On Wednesday, 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. But the Government borrowed double from the target amount Rs202.55bn. The Government accepted amount in 3, 5 and 10-years are Rs96.51bn, Rs60.08bn and Rs45.96bn respectively. The cut-off yields remained un-changed.
- ✓ Yesterday, SBP conducted 1-Day OMO (Injection), where total amount offered was Rs245bn while the amount accepted was Rs243bn at 5.77%.
- ✓ Today PBS released the data of weekly inflation for the week ended 25th August, 2016. According to PBS, SPI fell by 0.35% as compared to the last week 218.97bps to 218.20bps.
- ✓ Today SBP conducted 2-contracts of OMO (Injection), 1st contract for 5-Days and 2nd contract for 7-Days where total amount offered has been accepted Rs358bn and Rs591bn at 5.77% and 5.79% respectively.
- ✓ Today MM initiated at 5.75%-6.00% and traded whole day with in the range of 5.60%-5.90% and expected to close at same.

COMMODITY MARKET:

- ✓ **GOLD:** Gold traded lower amid strong dollar after good U.S. economic reports. Yellow metal is currently trading at \$ per ounce.
- ✓ **CRUDE:** Crude oil declined as markets remained fixated on a global supply glut and amid fading hopes that major oil producers will reach a deal to freeze output. Black gold is currently trading at \$ per barrel.

USD/PKR For			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0775	(0.0013)	4.3%
2-WEEK	0.1650	-	4.3%
1-MONTH	0.3750	(0.0150)	4.7%
2-MONTH	0.7450	(0.0050)	4.8%
3-MONTH	1.1450	0.0150	5.2%
4-MONTH	1.4950	(0.0200)	4.6%
5-MONTH	1.8550	(0.0100)	4.5%
6-MONTH	2.2150	-	5.4%
12-MONTH	4.5000	-	5.8%
Economic Indicators			
Forex Reserves	18-Aug-16	USD bn	23.081
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
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 26-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	25-Aug-16	26-Aug-16	
	Cut Off Yields	Bid/Ask	
2-Years	-	6.00/5.92	
3-Years	6.2000%	6.19/17	
5-Years	6.7017%	6.69/67	
10-Years	7.8005%	7.78/76	
T-Bills Auction Date			
Tenor	18-Aug-16	26-Aug-16	
	Cut Off Yields	Bid/Ask	
3-Months	5.8571%	5.85/82	
6-Months	5.9046%	5.90/89	
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	