

FX – INTERBANK RATE:

28-Mar	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.72	104.75	104.72	104.73	104.72

- ✓ **Forecast for tomorrow:**
As per today's activity, we expect the market to continue to trade within the range of **104.65/104.80**

FX MARKET:

- ✓ The exchange rate showed no major movement.
- ✓ Swaps moved slightly lower as demand for the greenback picked up moderately. While the IMF has approved the quarterly payment of \$502mn, there is also a Eurobond payment of \$500mn to be made on 31march for the Eurobond issued in 2006. Thus the balance of risk point toward more downside in the premiums as the month end approaches. With no privatisation and no major foreign institutional inflow seen this quarter, and with the Eurobond payment due in a few days it will be impossible for the government to meet the IMF NIR targets this quarter, and hence this could see a strain on premiums going forward.
- ✓ On Friday, SBP revealed the figure of total FX Reserves for the week ended 18th March, 2016. According to SBP, Total FX Reserves was dropped by \$196.9mn from last week \$20.71bn to \$20.52bn. The breakup of total FX Reserves are as follows: SBP held FX Reserves plunged by \$228.6mn form \$15.85bn to \$15.63bn while FX Reserves held in other banks rose by \$31.7mn from \$4.85bn to \$4.89bn. The decrease in reserves is mainly attributed to payments of \$223mn on account of external debt servicing.
- ✓ On Friday, The IMF approved \$502mn for Pakistan for 10th review under the EFF.

MONEY MARKET:

- ✓ On Friday, PBS released the data of weekly inflation for the week ended 24th March, 2016. According to PBS, SPI rose by 0.48% from last week 214.61bps to 215.63bps.
- ✓ On Friday, SBP conducted 7-Day OMO (Injection), where total amount offered has been accepted Rs1.515trn at 6.02%.
- ✓ Today MM initiated at 6.00%-6.15% and traded whole day in the range of 5.75%-6.10% and expected to close at same.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0750	(0.0050)	4.1%
2-WEEK	0.1850	0.0150	4.8%
1-MONTH	0.4200	-	5.2%
2-MONTH	0.9050	0.0350	5.6%
3-MONTH	1.3050	(0.0150)	5.6%
4-MONTH	1.6850	(0.0100)	5.0%
5-MONTH	2.0650	-	5.0%
6-MONTH	2.4650	0.0050	5.6%
12-MONTH	4.6500	0.0500	5.7%

Economic Indicators			
Forex Reserves	18-Mar-16	USD bn	20.521
CPI- MoM	01-Feb-16		-0.30%
CPI- YoY	01-Feb-16		4.02%
M2 Growth	FY16 YTD		4.10%
SBP Target Rate	FY16 YTD		6.00%
FDI	8MFY16	USD mn	750.9
Home Remittance	8MFY16	USD bn	12.714
Current A/C Def.	8MFY16	USD bn	1.859
Trade -Deficit	8MFY16	USD bn	13.372
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	21/03/16	Pts	33,100.46

Money Market		28-Mar-16	
	KIBOR	PKRV	
1Month	5.99%	6.20%	
3Month	6.10%	6.18%	
6Month	6.10%	6.19%	
12Month	6.14%	6.20%	

PIB'S Auction Date		
Tenor	22-Mar-16	28-Mar-16
	Cut Off Yields	Bid/Ask
2Years	-	6.25/18
3Years	6.3204%	6.30/26
5Years	7.0000%	6.92/89
10Years	8.2296%	8.23/18

T-Bills Auction Date		
Tenor	17-Mar-16	28-Mar-16
	Cut Off Yields	Bid/Ask
3Months	6.1697%	6.22/17
6Months	6.2026%	6.22/17
12Months	6.2192%	6.22/18

Commodities 22/03/16		
Gold Recommendation		
Level	Long@	Short@
Entry level	1210	1275
Stop loss	1190	1295
Take profit	1255	1255

Crude Recommendation		
Level	Long@	Short@
Entry level	38	-
Stop loss	36	-
Take profit	41.5	-