

**FX – INTERBANK RATE:**

3-Jan	OPEN	HIGH	LOW	CLOSE	Last Day Close
Ready Rates	110.51	110.54	110.51	110.53	110.52

**FX-MARKET:**

- ✓ On Monday, SBP issued the circular, in-which stated that the Exchange Companies can continue to import cash US\$ against export of permissible foreign currencies unless advised otherwise. However, total import of cash US\$ shall not exceed 35% of total export of permissible foreign currencies during the month.
- ✓ Yesterday, SBP issued the circular, in-which stated that the policy maker of financial & currency markets, has taken comprehensive policy related measures to ensure that imports, exports and financing transactions can be denominated in CNY. Both public and private sector enterprises (i.e. both Pakistanis and Chinese) are free to choose CNY for bilateral Trade & Investment activities.

**MONEY-MARKET:**

- ✓ Today SBP held its 15<sup>TH</sup> MTB Auction for FY-17/18, where the target amount is Rs950bn while the maturity amount is higher from the target amount is Rs959.52bn. The total bid participation is recorded well below from the target and maturity amount Rs564.65bn. The bid participation were seen only in 3-month tenor Rs564.65bn respectively. We expect that the MTB Cut-off yields remained un-changed.

15th MTB Auction Result for FY-17/18				
Our Expectation based on Bid Participation Amount				
Maturity Period	Cut-off Yield	Weighted Avg Yield	Realized Value (Rs, bn)	Face Value (Rs, bn)
3-Months	5.9910%	5.9910%	473.674	480.205
6-Months	6.0109%	NO BIDS RECEIVED		
12-Months	6.0273%	NO BIDS RECEIVED		
<b>Total</b>			<b>473.674</b>	<b>480.205</b>

- ✓ Today MM O/N initiated at 5.75% and traded whole day with-in the range of 5.60%-5.90% and expected to close at the same level.

**COMMODITIES-MARKET:**

- ✓ **GOLD:** Gold traded higher amid on-going dollar weakness, while rising geopolitical un-certainties supported sentiment, including continued protests in Iran. Yellow metal is currently trading at \$1,316.00 per ounce.
- ✓ **CRUDE OIL:** Crude oil declined as the North-Sea Forties pipeline restarted off-setting support from potential supply disruptions in Iran amid on-going anti-government protests. Black gold is currently trading at \$60.60 per barrel.

USD/PKR \$1			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0497	0.0178	3.82%
2-WEEK	0.0850	(0.0400)	3.51%
1-MONTH	0.1517	0.0602	3.18%
2-MONTH	0.2571	0.0528	3.06%
3-MONTH	0.3792	0.0637	3.09%
4-MONTH	0.5127	0.0483	3.15%
5-MONTH	0.6877	0.0644	3.27%
6-MONTH	0.9015	0.0996	3.48%
12-MONTH	2.0480	0.0768	3.96%

ECONOMIC INDICATORS			
Items	Period	Unit	Figure
Forex Reserves	22-Dec-17	USD bn	20.189
CPI- MoM	2-Dec-17	%	4.57
CPI- YoY	2-Dec-17	%	-0.10
M2 Growth	FY-17/18 YTD	%	1.35
SBP Target Rate	FY-17/18 YTD	%	5.75
SBP Discount Rate	FY-17/18 YTD	%	6.25
FDI	5MFY-17/18	USD bn	1.146
Home Remittance	5MFY-17/18	USD bn	8.021
CAD	5MFY-17/18	USD bn	6.430
Trade -Deficit	5MFY-17/18	USD bn	14.189
Kerb USD/PKR	3-Jan-18	Bid/Ask	111.25/75
Govt. Domestic Debt	As at 31-10-2017	Rs trn	16.083
External Debt	As at 30-09-2017	USD bn	85.05
MSCI-EM Index	3-Jan-18	Pts	1,182.94
PSX-100 Index	1/3/2018	Pts	41,412.54

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 29-Dec	1.69428%	1.83707%	2.10697%

KIBOR AND PKRV RATE		
Tenor	KIBOR	PKRV
1-Month	5.80%	5.96%
3-Month	5.91%	5.99%
6-Month	5.96%	6.02%
12-Month	6.00%	6.04%

PAKISTAN INVESTMENT BONDS-PIB's		
Tenor	16-Nov-17 Cut Off Yields	3-Jan-18 Bid/Ask
2-Years	-	6.90/85
3-Years	6.4074%	7.40/35
5-Years	6.8998%	7.90/85
10-Years	7.9414%	8.25/15

MARKET TREASURY BILL-MTB		
Tenor	21-Dec-17 Cut Off Yields	3-Jan-18 Bid/Ask
3-Months	5.9910%	5.99/97
6-Months	6.0103%	6.01/5.99
12-Months	6.0273%	6.04/6.00

