

**FX – INTERBANK RATE:**

31-Mar	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	104.75	104.77	104.75	104.75	104.74

- ✓ **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 remained unchanged on the day.
- ✓ Swaps defied expectations and moved higher today despite the sizeable Eurobond payment to be made today and which will cause the FX reserves to fall. Without any foreign inflow this quarter and reserves barely increasing from the end of last quarter, the government will definitely not meet the NIR as budgeted by the IMF. While the exchange rate remains stable the coming quarter will see sizeable oil payments which are scheduled for the next 2-months will test the market supply.

**MONEY MARKET:**

- ✓ Yesterday SBP held its 20<sup>th</sup> MTB auction for FY-16, where Government accepted Rs46.81bn below from the target Rs50bn but above from the maturity amount Rs20.27bn. Although the total bid participation amount is recorded 3-times more from the target amount Rs166.66bn. The Government accepted in 3, 6 and 12-Months are Rs1.45bn, Rs10.50bn and Rs34.84bn respectively. As per our expectation the cut-off yield remained same. The cut-off yield for 3, 6 and 12-months are 6.17%, 6.18% and 6.21% respectively.
- ✓ Today SBP conducted 8-Day OMO (Injection), where total amount offered was Rs1.24trn out of which the amount accepted was Rs1.00trn at 6.09%.
- ✓ Today MM initiated at 6.00%-6.40% and traded whole day in the range of 6.00%-6.50% and expected to close at same.

**COMMODITY MARKET:**

- ✓ **GOLD:** Gold traded lower as a broad rally in global equity markets dented demand for the precious yellow metal. Yellow metal is currently trading at \$1,235.74 per ounce.
- ✓ **CRUDE:** Crude oil declined after the EIA disclosed that US crude oil inventories rose by 2.3mn barrels during the last week to a total of 534.8mn barrels, touching a 7<sup>th</sup> straight week of record high. Black gold is currently trading at \$38.35 per barrel.

USD/PKR Fc			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0850	-	4.6%
2-WEEK	0.1850	0.0100	4.8%
1-MONTH	0.4150	0.0100	5.1%
2-MONTH	0.8650	-	5.4%
3-MONTH	1.2850	0.0150	5.5%
4-MONTH	1.6600	-	4.9%
5-MONTH	2.0800	0.0250	5.1%
6-MONTH	2.4850	0.0300	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		31-Mar-16	
	KIBOR	PKRV	
1Month	5.99%	6.19%	
3Month	6.09%	6.19%	
6Month	6.11%	6.21%	
12Month	6.16%	6.22%	

PIB'S Auction Date		
Tenor	22-Mar-16	31-Mar-16
	Cut Off Yields Bid/Ask	
2Years	-	
3Years	6.3204% 6.32/28	
5Years	7.0000% 6.86/84	
10Years	8.2296% 8.22/18	

T-Bills Auction Date		
Tenor	31-Mar-16	31-Mar-16
	Cut Off Yields Bid/Ask	
3Months	6.1697% 6.17/11	
6Months	6.1812% 6.18/14	
12Months	6.2079% 6.20/17	

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	-