

**FX – INTERBANK RATE:**

14-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	105.41	105.42	105.40	105.40	105.41

**FX-MARKET:**

- Swaps moved lower today as the lower daily close in swap pricing continues. With remittances showing a significant increase by \$413mn last month ahead of EID, this trend is expected to reverse as remittance are normally lower post EID. Hence the move lower in swap prices as market players expect the inflows this month to be significantly lower this month coupled with higher oil payments and thus the move lower in swap premiums.
- Yesterday SBP issued the circular No. 06 of 2017. The subject of the circular was “Relaxations to Exporters of Rice under EFS for FY-16/17”. following relief provided to rice exporters under EFS for FY-16/17:

**Relaxation under EFS Part-1 (Pre-Shipment):**

- 90-days extension in shipment period has been allowed for that Part-I loans, in which shipment was falling due in FY-16/17.
- In case of non-shipment, the fine already charged shall be retained by SBP BSC offices till submission of Annexure-F within extended period.

**Relaxation under EFS Part-11:**

- An additional period of 3-months has been allowed to those rice exporters who have shortfall in required performance in the monitoring year FY-16/17. Accordingly, eligible entries showing shipments and export proceeds realization up to September 30, 2017 are allowed to be included in the export performance of FY-16/17.
- Exporters requiring this relaxation will have to submit additional EF-1 and EE-1 statements through their banks to respective SBP BSC office latest by 31<sup>ST</sup> December, 2017, duly verified by the concerned FEOD.
- Today SBP issued the Circular No. 18 of 2017. The subject of the circular is “Extension in Subsidy on Exports of Wheat and Wheat Products” in which the ECC of the Cabinet has approved extension in export period for export of wheat/wheat products (Flour (Aata), Fine, Suji and Maida) beyond March 15, 2017 till August 31, 2017 subject to the term and conditions mentioned therein that subsidy on export of wheat/wheat products shall be allowed above mentioned date.

**MONEY-MARKET:**

- Yesterday, SBP held its 7<sup>th</sup> MTB Auction for FY-17/18. Where target amount is Rs500bn while the maturity amount is Rs443.47bn. The total bid participation amount is recorded well below both from the target and maturity amount Rs376.42bn.
- But the Govt. accepted amount Rs365.62bn that is divided into 3, 6 and 12-month tenors are Rs343.15bn, Rs16.44bn and Rs6.01bn respectively. As per our expectation, the MTB Cut-off yield remained un-changed.
- Today MM initiated at 5.75%-5.90 and traded whole day within the range of 5.65%-5.90% and expected to close at same.
- Today in bond secondary market, when issue is started in 3, 5 & 10-years at following rates: 3-years at 6.50/47 and 5-year at 7.25/15 respectively.

**COMMODITIES-MARKET:**

- GOLD:** Gold traded lower by a sharp rise in the dollar. Yellow metal is currently trading at \$1,325.30 per ounce.
- CRUDE OIL:** Crude oil declined despite bearish data showing U.S. supplies of crude oil rose more than expected. Black gold is currently trading at \$50.08 per barrel.

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0625	(0.0024)	4.29%
2-WEEK	0.1250	0.0025	4.30%
1-MONTH	0.2700	0.0051	4.25%
2-MONTH	0.5000	(0.0377)	4.21%
3-MONTH	0.7100	(0.0332)	4.05%
4-MONTH	0.9650	(0.0104)	4.15%
5-MONTH	1.1750	(0.0230)	4.07%
6-MONTH	1.4000	(0.0224)	4.13%
12-MONTH	3.1500	0.0780	4.70%

ECONOMIC INDICATOR			
Forex Reserves	31-Aug-17	USD bn	20.387
CPI- MoM	1-Aug-17		3.40%
CPI- YoY	1-Aug-17		0.20%
M2 Growth	FY-17/18 YTD		-2.05%
SBP Target Rate	FY-17/18 YTD		5.75%
SBP Discount Rate	FY-17/18 YTD		6.25%
FDI	1MFY-17/18	USD mn	222.6
Home Remittance	2MFY-17/18	USD bn	3.496
Current A/c Deficit	1MFY-17/18	USD bn	2.053
Trade -Deficit	1MFY-17/18	USD bn	3.376
Kerb USD/PKR	14-Sep-17	Bid/Ask	105.70/106.00
Govt. Domestic Debt	As at 30-11-2016	Rs trn	14.645
External Debt	As at 30-09-2016	USD bn	74.638
MSCI-EM Index	14-Sep-17	Pts	1,100.52
PSX-100 Index	14/9/2017	Pts	42,332.27

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 12-Sep	1.31917%	1.45444%	1.70956%

Money Market		
Tenor	KIBOR	PKRV
1-Month	5.76%	5.92%
3-Month	5.89%	5.98%
6-Month	5.90%	6.01%
12-Month	5.96%	6.03%

PIB'S Auction Date		
Tenor	24-Aug-17	14-Sep-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.35/28
3-Years	6.4074%	6.46/43
5-Years	6.8998%	7.20/10
10-Years	7.9414%	8.20/10

T-Bills Auction Date		
Tenor	14-Sep-17	14-Sep-17
	Cut Off Yields	Bid/Ask
3-Months	5.9910%	5.99/98
6-Months	6.0103%	6.01/6.00
12-Months	6.0386%	6.05/02