

**FX – INTERBANK RATE:**

27-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close
READY	105.43	105.44	105.43	105.43	105.43

**FX-MARKET:**

- Swaps again moved lower today as dollar demand remained unabated as developments on the political front along with the rise in crude oil prices with WTI trading above \$52 while Brent was seen trading above \$58.
- 1-week saw work at 7paisas, while 2-weeks saw the market trade at 13paisas. The high in 1-month was 27paisas while the low was at 26paisas. 3-months saw work done at 71Paisas.
- The ADB Board of Directors has approved a \$800mn multi-tranche financing facility (MFF) to help enhance regional connectivity and trade in the Central Asia Regional Economic Cooperation (CAREC) corridors in Pakistan.
- The loan will be disbursed over a period of 5-years under 3-sub-programs and Pakistan will receive 1<sup>st</sup> installment of \$180mn this year.

**MONEY-MARKET:**

- Today SBP held its 7<sup>th</sup> MTB auction for FY-17/18, where the target amount is Rs150bn, while the maturity amount is Rs82.38bn. The total Bid participation amount is recorded more than 3-times higher from the target and maturity amount is Rs493.75bn that is divided into 3, 6 and 12-months tenor Rs393.90bn, Rs96.75bn and Rs2.50bn respectively. We expect that that the 7<sup>th</sup> MTB Cut-off yield remained un-changed.

7th MTB Auction Result for FY-17/18				
As per our Expectation based on Bid Participation				
Maturity Period	Cut-off Yield	Weighted Avg Yield	Realized Value (Rs, bn)	Face Value (Rs, bn)
3-Months	5.9910%	5.9910%	387.404	382.135
6-Months	6.0109%	6.0109%	76.750	74.516
12-Months	6.0386%	BIDS MAY BE REJECTED		
<b>Total</b>			<b>464.154</b>	<b>456.651</b>

- Today MM initiated at 5.75%-5.95% and traded whole day within the range of 5.00%-5.80% and expected to close at same.

**COMMODITIES-MARKET:**

- GOLD:** Gold traded higher as December rate-hike expectations jumped after Federal Reserve chair Janet Yellen said that central bank should be “wary of moving too gradually” on interest rates to avoid the economy overheating. Yellow metal is currently trading at \$1,292.70 per ounce.
- CRUDE OIL:** Crude oil declined as investors appeared to take profit on the recent rally that has seen oil prices hit multi-month highs ahead of weekly inventory data expected to show crude oil supplies rose for the 4<sup>th</sup> straight week. Black gold is currently trading at \$51.97 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS				
Date	Events	Actual	Forecast	Previous
26-9-17	USD CB Consumer Confidence	119.8	119.9	120.4
26-9-17	USD New Home Sales	560K	585K	580K
26-9-17	USD FOMC Member Brainard Speaks	-	-	-
26-9-17	USD Fed Chair Yellen Speaks	-	-	-

Source: www.forexfactory.com

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0703	(0.0077)	4.67%
2-WEEK	0.1425	(0.0063)	4.73%
1-MONTH	0.2696	(0.0155)	4.25%
2-MONTH	0.5081	(0.0179)	4.25%
3-MONTH	0.7140	(0.0211)	4.08%
4-MONTH	0.9659	(0.0163)	4.17%
5-MONTH	1.1952	(0.0168)	4.15%
6-MONTH	1.3957	(0.0365)	4.17%
12-MONTH	3.0694	(0.0719)	4.69%

ECONOMIC INDICATOR			
Forex Reserves	15-Sep-17	USD bn	20.009
CPI- MoM	1-Aug-17		3.40%
CPI- YoY	1-Aug-17		0.20%
M2 Growth	FY-17/18 YTD		-0.93%
SBP Target Rate	FY-17/18 YTD		5.75%
SBP Discount Rate	FY-17/18 YTD		6.25%
FDI	2MFY-17/18	USD mn	457.2
Home Remittance	2MFY-17/18	USD bn	3.496
Current A/c Deficit	2MFY-17/18	USD bn	2.601
Trade -Deficit	2MFY-17/18	USD bn	6.033
Kerb USD/PKR	27-Sep-17	Bid/Ask	106.05/35
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	27-Sep-17	Pts	1,080.03
PSX-100 Index	27/9/2017	Pts	42,221.15

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 25-Sep	1.32972%	1.49711%	1.77483%

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	21-Sep-17	27-Sep-17
	Cut Off Yields	Bid/Ask
2-Years	-	6.30/25
3-Years	6.4074%	6.50/48
5-Years	6.8998%	7.25/15
10-Years	7.9414%	8.25/15

T-Bills Auction Date		
Tenor	14-Sep-17	27-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%	6.03/01