

FX – INTERBANK RATE:

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

FX-MARKET:

- Swaps moved lower today as dollar demand was again seen in the market. Lower home remittances post EID flows are a factor for the lower levels of inward remittances into the banking system. The news that foreign reserves moved higher by \$389 million was a positive sign for FDI as this inflow was probably a result of Jazz selling its tower business to Malaysian business interests. However the euphoria with regard to the FX reserve increase was short-lived, as news that HBL would reached out of court settlement with NY state DFS for \$225mn and that HBL would have 14-days to make payment, lead traders to sell the forward premiums expecting that the dollar delivery would lead to shortages in the market.
- SBP released the figure of total FX-Reserves for the week ended 31st August, 2017. According to the SBP, Total FX-Reserves advanced by \$386.1mn as compared to the previous week \$20.0bn to \$20.38bn. The break-up of total FX-Reserves are as follows: SBP held FX-Reserves increased by \$337.9mn from \$14.34bn to \$14.68bn while FX-Reserves held in other banks rose by \$48.0mn from \$5.65bn to \$5.70bn.

MONEY-MARKET:

- Yesterday SBP conducted 1-Day OMO (Injection), where bid amount total was Rs115.7bn from which the amount accepted was Rs65bn at 5.83%.
- Yesterday SBP issued the statement of Access to SBP Overnight Repo. In which SBP ceiling was hit 3-times for the total of Rs52.5bn while SBP floor was hit for Rs3.5bn.
- Today PBS released the data of weekly inflation for the week ended 7th September, 2017. According to the PBS, SPI rose by 0.58% as compared to the previous month 221.42bps to 222.71bps.
- Today SBP conducted 7-Days OMO (Injection), where bid amount total was Rs1.706trn from which the amount accepted was Rs1.701trn at 5.76%.
- SBP issued the numbers of M2-Growth for the week ended 25th August, 2017. According to the SBP, M2 posted negative growth by 1.86% on YoY basis.
- Today MM initiated at 5.80% and traded whole day within the range of 5.60%-5.90% and closed at 5.75%.
- 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 higher on the back of a weaker dollar, following data showing weakness in labor market. Yellow metal is currently trading at \$1,354.30 per ounce.
- CRUDE OIL:** Crude oil declined after data showed U.S. supplies of crude oil rose for the 1st time in 10-weeks. Black gold is currently trading at \$49.35 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Events	Actual	Forecast	Previous
7/9/2017	GBP Halifax HPI m/m	1.10%	0.20%	0.70%
7/9/2017	EUR Minimum Bid Rate	0.00%	0.00%	0.00%
7/9/2017	CAD Building Permits m/m	-3.50%	-1.50%	4.40%
7/9/2017	EUR ECB Press Conference			
7/9/2017	USD Unemployment Claims	298K	245K	236K
7/9/2017	CAD Ivey PMI	56.3	61.3	60
7/9/2017	USD Crude Oil Inventories	4.6M	4.1M	-5.4M
8/9/2017	USD FOMC Member Dudley Speaks	-	-	=
8/9/2017	JPY Final GDP q/q	0.60%	0.70%	1.00%
8/9/2017	AUD RBA Assist Gov Debelle Speaks	-	-	-
8/9/2017	CNY Trade Balance	287B	337B	321B

Source: www.forexfactory.com

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.0318	(0.0291)	2.77%
2-WEEK	0.0750	(0.0450)	3.06%
1-MONTH	0.2303	(0.0600)	3.80%
2-MONTH	0.4775	(0.0717)	4.08%
3-MONTH	0.7156	(0.0451)	4.07%
4-MONTH	0.9347	(0.0609)	4.06%
5-MONTH	1.1594	(0.0795)	4.03%
6-MONTH	1.3644	(0.0950)	4.06%
12-MONTH	2.9560	(0.1389)	4.51%

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	1MFY-17/18	USD bn	1.54
Current A/c Deficit	1MFY-17/18	USD bn	2.053
Trade -Deficit	1MFY-17/18	USD bn	3.376
Kerb USD/PKR	8-Sep-17	Bid/Ask	106.00/35
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	8-Sep-17	Pts	1,093.19
PSX-100 Index	8/9/2017	Pts	41,358.60

DATA	3-MONTH	6-MONTH	12-MONTH
LIBOR 6-Sep	1.31722%	1.45222%	1.70789%

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	08-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	31-Aug-17	08-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