

FX – INTERBANK RATE:

10-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close-LDC
Ready Rates	166.45	166.52	166.40	166.40	166.53

FX-MARKET:

- ✓ According to the Tribune, Fitch Ratings has set off alarm bells to alert five Asian nations including Pakistan that their credit ratings may be impacted due to a potential decline in foreign currency inflows on account of workers' remittances and subsequent higher need for foreign financing in the 2nd half of 2020.

MONEY MARKET:

MARKET TREASURY BILLS-MTB AUCTION REPORT:

- ✓ Yesterday, SBP held its MTB Auction for FY-20/21. Where target amount was Rs350.0bn while the maturity amount was Rs493.70bn. The total bid participation amount was recorded more than two times higher Rs847.87bn that is divided into 3, 6 and 12-month tenor Rs488.94bn, Rs233.0bn and Rs125.54bn respectively. We expect that the MTB Cut-off Yield remained unchanged.
- ✓ But the Govt. accepted the amount lower from the target amount was Rs343.16bn that is distributed into 3, 6 and 12-Month tenor Rs195.62bn, Rs115.50bn and Rs32.04bn respectively. As per our expectation the MTB Cut-off yield remained the same.
- ✓ Today MM initiated at 7.00% and traded whole day within the range at 6.75%-7.00% and closed at 6.75%.
- ✓ Today in bond secondary market, When-issue is started trading at following levels; 3-years at 8.28/25, 5-years at 8.90/88 & 10-years 9.60/55 at respectively.

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Event	Impact	Actual	Forecast	Previous
9-Sep-20	3-Month MTB Cut-off Yield	MEDIUM	7.14%	7.14%	7.15%
9-Sep-20	6-Month MTB Cut-off Yield	MEDIUM	7.18%	7.18%	7.18%
9-Sep-20	12-Month MTB Cut-off Yield	MEDIUM	7.30%	7.30%	7.30%
9-Sep-20	M2-Growth for 28 August 2020	LOW	-0.78%	-1.12%	-1.51%

USD/PKR SWAP YIELDS-%

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.2509	0.0016	7.97%
2-WEEK	0.4160	0.0040	7.89%
1-MONTH	1.1563	0.0990	8.34%
2-MONTH	2.0227	0.0029	7.72%
3-MONTH	2.8087	0.0022	7.09%
4-MONTH	3.5091	(0.0135)	6.68%
5-MONTH	4.0312	0.0125	6.05%
6-MONTH	4.6345	0.0296	5.81%
12-MONTH	8.4505	-	5.50%

ECONOMIC INDICATORS

Items	Unit	Period	Unit	Figure
Gross Domestic Product-GDP				
GDP	1MFY-20/21	USD bn		22.741
Large Scale Manufacturing Industries-LSMI	FY-19/20	bps		128.93
Foreign Exchange-FX-Reserves				
FX-Reserves-WoW	28-Aug-20	USD bn		19.842
FE-25 Import Financing	July, 2020	USD mn		401
SBP Forward/Swap Position	31-Jul-20	USD bn		(5.774)
Net International Reserves-NIR (EST)	28-Aug-20	USD bn		(9.155)
Kerb USD/PKR	10-Sep-20	Bid/Ask		165.60/166.60
Real Effective Exchange Rate-REER	June, 2020	Rs		93.02
Consumer Price Index-CPI				
Sensitive Price Index-SPI-WoW	3-Sep-20	bps		136.11
CPI (YoY)	July, 2020	%		8.20
CPI- (MoM)	July, 2020	%		0.60
CPI-Urban-YoY	July, 2020	%		7.70
CPI-Rural-YoY	July, 2020	%		9.90
PAK CPI-YoY minus US CPI-YoY	8.20%-1.00%	%		7.20
M2 Growth				
M2 Growth-YoY	1 July 20 - 21-Aug 20	%		(1.51)
Net Govt. Sector Borrowing	1 July 20 - 21-Aug 20	Rs bn		(342.02)
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 21-Aug 20	Rs bn		(301.48)
Credit to Private Sector-YoY	1 July 20 - 21-Aug 20	Rs bn		(156.61)
Govt. Foreign Commercial Banks Borrowing	FY-19/20	USD bn		4.855
Policy Rate				
SBP Policy Rate	FY-20/21 YTD	%		7.00
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%		6.00-8.00
SBP Policy Rate minus USD FED Fund Rate	7.00%-0.25%	%		6.75
1-Year KIBOR minus 1-Year LIBOR	7.07%-0.43%	%		6.64
FX-Economic Data				
Foreign Direct Investment-FDI	1MFY-20/21	USD mn		114.30
Home Remittance	1MFY-20/21	USD bn		2.768
Current Account (Deficit)/Surplus	1MFY-20/21	USD mn		424.00
CAS % of GDP	1MFY-20/21	%		1.90
Trade -Deficit	1MFY-20/21	USD bn		2.098
GOVT. Circular Debt & External Liabilities				
Government Domestic Debt & Liabilities	As at 30-6-2020	Rs tm		14.02
External Debt	As at 30-6-2020	USD bn		70.314
Circular Debt	FY-19/20	Rs tm		2.15
Ratings & Outlook				
Standard & Poor's-S&P	Rating & Outlook	Rank		B
Moody's	Rating & Outlook	Rank		B3-Stable
Stock Exchange & Market Index				
MSCI-Emerging Market Index-EMI	10-Sep-20	Pts		1,089.19
Pakistan Stock Exchange-PSX-100 Index	10-Sep-20	Pts		42,680.18
Foreign Investor Portfolio Investment-FIPI	9-Sep-20	USD '000		(1,314,458)
Special Convertible Rupee Account-A/C-SCRA				
SCRA-Cummulative	1 July 20 To-Date	USD mn		(141.23)
SCRA-T-Bills & PIB's	1 July 20 To-Date	USD mn		(45.55)

Date	Data	Unit	3-Month	6-Month	12-Month
9/8/2020	US-LIBOR Rate	%	0.24950	0.30100	0.42700

Tenor	KIBOR-%	PKRV Rates-%
1-Month	6.94	7.05
3-Month	7.01	7.12
6-Month	7.05	7.17
12-Month	7.07	7.27

Period	19-Aug-20		10-Sep-20	
	Cut Off Yields-%	Bid-%	Ask -%	
2-Years	-	7.82	7.80	
3-Years	8.2000	8.26	8.24	
5-Years	8.4500	8.86	8.84	
10-Years - Fixed	8.9900	9.60	9.50	
10-Years - Floating	7.6800	102	101.75	
15-years *	9.9800		10.05	
20-years *	10.5500		10.31	

Tenor	26-Aug-20		10-Sep-20	
	Cut Off Yields-%	Bid-%	Ask-%	
3-Months	7.1498	7.11	7.10	
6-Months	7.1800	7.16	7.14	
12-Months	7.3000	7.28	7.25	

Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.

