

DAILY C&M MARKET REVIEW

FOREIGN EXCHANGE-FX-MARKET:

- ✓ Today in interbank session, PKR depreciated by 33paise against the Friday's close at Rs160.14 to Rs160.47.
- ✓ During the day, USD/PKR traded within the range of 35paise from low at Rs160.20 to high at Rs160.55.



- ✓ China has agreed to immediately provide \$1.50bn financing line to Pakistan to help the country repay \$2.0bn Saudi Arabia debt that Pakistan is set to return \$1.0bn in this month and remaining \$1.0 in next month.

Ready Rates-PKR		14/12/2020	
Open	160.20	Last Day Close LDC: 160.14	
High	160.55		
Low	160.20		
Close	160.47		
USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2494	0.0011	8.21%
1-Month	1.0655	(0.0088)	7.97%
2-Month	2.0532	0.0501	8.11%
3-Month	2.9320	0.0728	7.63%
4-Month	3.7713	0.0803	7.26%
5-Month	4.5242	0.1298	6.97%
6-Month	5.2644	0.1167	6.76%
1-Year	9.0719	0.0718	5.99%
FOREIGN EXCHANGE/ECONOMY INDICATORS			
Items	Period	Unit	Figure
Domestic Product-GDP			
GDP	1QFY21	USDtn	68.21
Foreign Exchange Reserves			
FX Reserves-W&W	4Dec20	USDtn	2042
FEZ Import Financing	September, 2020	USDmn	323
SEF Forward/Swap Position	31-Oct-20	USDtn	(488)
Net International Reserves-NR(EST)	4Dec20	USDtn	(1058)
Merch USD/PKR	11-Dec-20	Bid/Ask	160.33/161.10
Real Effective Exchange Rate-FEER	September, 2020	Rs	9412
FX Economic Data			
Foreign Direct Investment-FDI	4MY-21/21	USDmn	73.10
Home Remittance	5MY-21/21	USDtn	11.789
Current Account (Deficit/Surplus)	4MY-21/21	USDmn	1.180
G&S% of GDP	4MY-21/21	%	1.30
Trade Deficit	4MY-21/21	USDtn	7538
GDP, Govt Debt & External Liabilities			
Government Domestic Debt & Liabilities	As at 31-8-2020	Rs tm	1462
External Debt	As at 30-6-2020	USDtn	11288
Circular Debt	FY-19/20	Rs tm	223

KIBOR AND PKRV RATE (%) 14-Dec-20			
Tenor	KIBOR-%	PKRV Rates-%	
1-Month	6.92	7.08	
3-Month	7.04	7.12	
6-Month	7.10	7.18	
12-Month	7.19	7.30	
Pakistan Investment Bonds-PIB's			
Period	10-Dec-20	14-Dec-20	
	Cut Off Yields-%	Bid-% Ask-%	
2-Yrs	-	8.15 8.12	
3-Yrs	8.2400	8.28 8.25	
5-Yrs	8.4500	9.07 9.05	
10-Yrs-Fix	8.9900	9.95 9.90	
Floating	7.5498	10.2 101.75	
15-years*	10.0000	10.25	
20-years*	10.5800	10.50	
Market Treasury Bills-MTB			
Tenor	3-Dec-20	14-Dec-20	
	Cut Off Yields-%	Bid-% Ask-%	
3-M	7.1408	7.11 7.10	
6-M	7.1849	7.18 7.17	
12-M	7.2989	7.32 7.30	
Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.			
MONEY MARKET/ECONOMY INDICATORS			
Items	Period	Unit	Figure
Core Sector Performance Indicators (CPI)			
ISM	1QFY21	bps	1802
Consumer Price Index (CPI)			
Sensitive Price Index-SP-PMV	25Nov20	bps	16171
CR (M)	Number, 2020	%	835
CR (M/M)	Number, 2020	%	082
CR (Year/Yr)	Number, 2020	%	730
CR (Real/Yr)	Number, 2020	%	1030
PKCR-YY minus USCR-YY	839/123%	%	715
M&G Govt			
M/Govt/Yr	1July20-30Oct20	%	036
Net Govt Sector Borrowing	1July20-30Oct20	Rs tm	1479
Govt borrowing for budgetary support from SEF	1July20-30Oct20	Rs tm	2339
Govt to Private Sector/Yr	1July20-30Oct20	Rs tm	(463)
Govt Foreign/Commercial Banks Borrowing	1QFY21	USDmn	150
Risk Rate			
SEPRiskRate	1QFY21YTD	%	702
SEF/IFB/CR Reserve/FB/CR Rate	1QFY21	%	600800
SEPRiskRate minus USFED Fund Rate	700/423%	%	675
1 Year RECR minus 1 Year USCR	720/438%	%	686
Rating & Outlook			
Standard & Poor's S&P	Rating & Outlook	Rank	B
Nasdaq	Rating & Outlook	Rank	BBB Stable
Stock Exchange Market Index			
NASDAQ Emerging Market Index-EM	14Dec20	Rs	12577
Russell 2000 Index-RUS2000 Index	14Dec20	Rs	433548
Foreign Investor Portfolio Investment-FPI	11Dec20	USDtn	(54293)
Spreads & Rates			
SPRA/Imulative	1July21toDate	USDmn	(502)
SPRA/FBills 8RBs	1July21toDate	USDmn	(250)
SPRA/FBills 8RBs	Dec20	USDmn	125
US-LIBOR Rate 11/12/2020			
Tenor	Units	LIBOR Rate	
3-Month	%	0.21650	
6-Month	%	0.24875	
12-Month	%	0.33588	

MONEY MARKET-MM:

- ✓ Today MM initiated the market at 7.00% and traded whole day within the range at 6.85%-7.10% and closed at 6.90%.

COMMODITIES MARKET:

- ✓ **GOLD:** During the last 4-hours, Gold traded lower and comprehensively breached the support at \$1,831 and closed below it indicating that yellow metal will continue its declining trend and moving further lower the next target it would find at \$1,820. Yellow metal is currently trading at \$1,827.76 per ounce.
- ✓ **CRUDE-OIL:** During the last 4-hours, Crude-oil continued its higher run and closed at high note indicating that black gold will resume its higher run and moving further higher the next target it would find at \$47.80. Black gold is currently trading at \$47.23 per barrel.

WORLD ECONOMIC DATA RELEASED DURING LAST FRIDAY				
Date	Events	Actual	Forecast	Previous
11/12/2020	GBP BOE Gov Bailey Speaks	-	-	-
11/12/2020	EUR Euro Summit	-	-	-
11/12/2020	EUR Economic Summit	-	-	-
11/12/2020	USD Core PPI m/m	0.10%	0.20%	0.10%
11/12/2020	USD PPI m/m	0.10%	0.10%	0.30%

Source: www.forexfactory.com