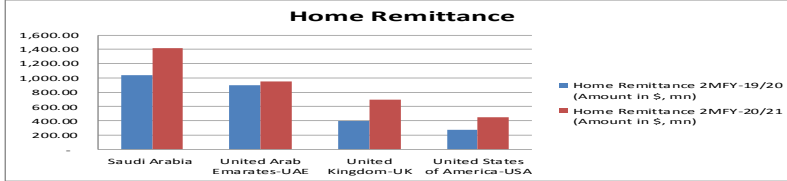


FX – INTERBANK RATE:

14-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close-LDC
Ready Rates	166.05	166.25	166.05	166.17	165.95

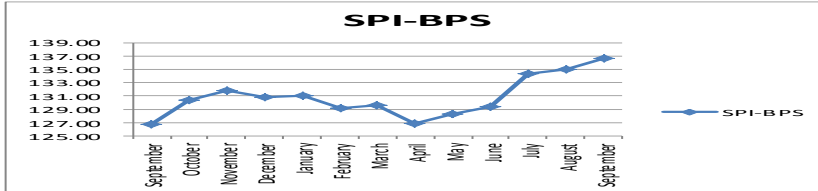
FX-MARKET:

- ✓ SBP released the data of home remittance for the month of August 2020. According to the SBP, Home Remittance decreased by \$672.92mn as compared to the previous month \$2.76bn to \$2.09bn.
- ✓ For 2MFY-20/21, Home Remittance advanced by \$1.15bn or 31.0%as compared to the same period of last fiscal year \$3.71bn to \$4.86bn.
- ✓ The countries from where Pakistani's remitted highest amount are as under;
- ✓ Saudi Arabia \$1.41bn, UAE \$947.79mn, UK \$696.18mn and USA \$452.24mn respectively.



MONEY MARKET:

- ✓ On Friday, PBS released the data of weekly inflation for the week ended 10th September 2020. According to the PBS, SPI rose by 0.37% as compared to the previous week 136.11bps to 136.62bps.
- ✓ Commodities that prices surge are as under;
- ✓ Chicken 16.75%, Pulse Moong Washed 6.02%, Pulse Mash Washed 3.11% respectively.
- ✓ Commodities that prices dropped are as follows;
- ✓ Tomatoes 6.37%, Garlic 2.57% and Banana 1.80% respectively.



- ✓ SBP issued the Circular No 12 in which Rules governing Primary Dealer system have been amended on DMMD Circular No. 21 of 2020 in view of regular and more frequent auctions of fixed rate and floating rate PIBs.
- ✓ As per current rule PD is allowed to carry out "When Issued" trading 14 days prior to the auction date but after the amendment for fixed PIBs trading will be allowed only for 5 working days prior to the auction and for floating rate PIBs during the last 3 working days prior to the auction which shall be effective from September 23, 2020.
- ✓ The change that has been applied on the short selling is that previously PD were allowed to short sell maximum 5% of the total target amount but after 23rd September 2020 will not be allowed to short sell more than 5% of the target amount of **Each Tenor** during the "When Issued" period.
- ✓ As per current rule in case PD is unable to square its short position, PD will be required to cover the short position from the market. Dependent on the liquidity position SBP would help using various options depending on the situation but after the amended rule SBP may provide accommodation of the short-selling only if the outstanding size of a particular issue before any auction is less than Rs200bn (face value).
- ✓ Today MM initiated at 6.90% and traded whole day within the range at 6.00%-7.00% and closed at 6.00%.
- ✓ 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
14-Sep-20	Home Remittance for Augsut 20	MEDIUM	\$2.095bn	\$2.348bn	\$2.768bn
14-Sep-20	Home Remittance for 2MFY-20/21	MEDIUM	\$4.863bn	\$5.311bn	\$3.712bn
11-Sep-20	SPI for 10 September 2020	LOW	136.62bps	136.36bps	136.11bps

USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.2450	(0.0075)	7.80%
2-WEEK	0.4100	(0.0080)	7.88%
1-MONTH	1.0450	(0.0950)	7.56%
2-MONTH	2.0750	-	7.93%
3-MONTH	2.8750	(0.0100)	7.27%
4-MONTH	3.6000	0.0250	6.85%
5-MONTH	4.2500	0.1250	6.37%
6-MONTH	4.8450	0.1200	6.07%
12-MONTH	8.7500	0.0500	5.68%

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		4-Sep-20	USD bn	19961
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)		4-Sep-20	USD bn	(11.963)
Kerb USD/PKR		14-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		10-Sep-20	bps	136.62
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%-0.41%	%	6.66
FX-Economic Data				
Foreign Direct Investment-FDI		1MFY-20/21	USD mn	114.30
Home Remittance		2MFY-20/21	USD bn	4.863
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		14-Sep-20	Pts	1,099.63
Pakistan Stock Exchange-PSX-100 Index		14-Sep-20	Pts	42,549.62
Foreign Investor Portfolio Investment-FIPI		11-Sep-20	USD '000	(2,940.887)
Special Convertible Rupee Account-A/C-SCRA				
SCRA-Cumulative		1 July 20 To-Date	USD mn	(145.88)
SCRA-T-Bills & PIB's		1 July 20 To-Date	USD mn	(45.55)

Date	Data	Unit	3-Month	6-Month	12-Month
11-Sep-20	US-LIBOR Rate	%	0.25038	0.28188	0.41388

KIBOR AND PKRV RATE (%)			14-Sep-20	
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		

Pakistan Investment Bonds-PIB's				
Period	19-Aug-20		14-Sep-20	
	Cut Off Yields-%	Bid-%	Ask-%	
2-Years	-	7.85	7.82	
3-Years	8.2000	8.28	8.24	
5-Years	8.4500	8.88	8.86	
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	

Market Treasury Bills-MTB				
Tenor	26-Aug-20		14-Sep-20	
	Cut Off Yields-%	Bid-%	Ask-%	
3-Months	7.1498	7.11	7.09	
6-Months	7.1800	7.16	7.15	
12-Months	7.3000	7.27	7.25	

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

