DAILY C&M MANAGEMENT MARKET REVIEW

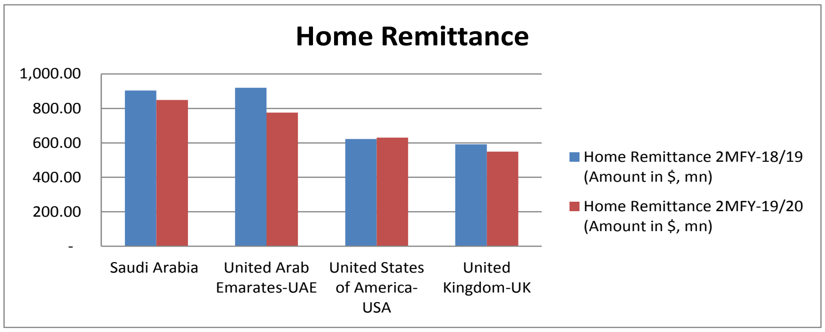
## FX – INTERBANK RATE:

| 16-Sep | OPEN | HIGH | LOW | CLOSE | Last Day Close-LDC |
|---|---|---|---|---|---|
| Ready Rates | 156.38 | 156.38 | 156.23 | 156.25 | 156.18 |

**FX-MARKET:**

**ECONOMIC-DATA:**

- ✓ On Friday, SBP released the figure of total FX-Reserves for the week ended 6th September, 2019. According to the SBP, Total FX-Reserves advanced by $132mn as compared to the previous week $15.61bn to $15.75bn.
- ✓ The break-up of total FX-Reserves are as under;
- ✓ SBP held FX-Reserves increased by $182mn from $8.28bn to $8.46bn while the FX-Reserves held in other banks fell by $50mn from $7.33bn to $7.28bn respectively.
- ✓ SBP released the data of home remittance for the month of August 2019. According to the SBP, Home remittance declined by $348.43mn as compared to the previous month $2.03bn to $1.69bn.
- ✓ For 2MFY-19/20, Home remittance decreased by $340.98mn as compared to the same period of last fiscal year $4.07bn to $3.73bn.
- ✓ The Countries from where Pakistanis remitted highest amount are as under;
- ✓ Saudi-Arabia $848.53mn, UAE $775.84mn, USA $629.79mn and UK $549.47mn respectively.




**MONEY-MARKET:**

- ✓ Today, PBS released the data of weekly inflation for the week ended 12th September 2019. According to PBS, SPI rose/fell by % as compared to the previous week 124.28bps to bps.
- ✓ Today, SBP conducted 7-Days OMO (Injection), where bid amount total was accepted Rs1.04trn at 13.32%.
- ✓ Today MM initiated at 13.25% and traded whole day with-in the range of 13.25%-13.50% and closed at 13.40%.
- ✓ Today in bond secondary market, when-issue is traded at following levels; 3-year at 12.68/65, 5-year at 12.50/40 and 10-year at 12.35/30 respectively.

**USD/PKR SWAP YIELDS-%**

| PERIOD | SWAP | Change in Premiums | Swap Implied PKR Yield |
|---|---|---|---|
| 1-WEEK | 0.3600 | 0.0050 | 14.12% |
| 2-WEEK | 0.6900 | - | 13.60% |
| 1-MONTH | 1.5400 | (0.0800) | 13.64% |
| 2-MONTH | 2.9250 | 0.1500 | 13.71% |
| 3-MONTH | 3.9650 | 0.0400 | 12.42% |
| 4-MONTH | 4.9500 | 0.3000 | 11.74% |
| 5-MONTH | 5.9500 | 0.4000 | 11.16% |
| 6-MONTH | 7.0000 | 0.5000 | 10.94% |
| 12-MONTH | 14.0000 | - | 10.97% |

**ECONOMIC INDICATORS**

| Items | Period | Unit | Figure |
|---|---|---|---|
| Gross Domestic Product-GDP | FY-18/19 | USD bn | 23.88 |
| Foreign Exchange-FX-Reserves | 6-Sep-19 | USD bn | 15.751 |
| FE-25 Import Financing | May, 2019 | USD mn | 474 |
| SBP Forward/Swap Position | 31-Jul-19 | USD bn | (7.865) |
| Net International Reserves-NIR (EST) | 6-Sep-19 | USD bn | (17.494) |
| IBA-SBP-Consumer Confidence Index-CCI | As at 31-3-2019 | DI | 53.20 |
| IBA-SBP-Inflation Expectation Index-IEI | As at 31-3-2019 | DI | 68.40 |
| Consumer Price Index-CPI (YoY) | July,2019 | % | 11.60 |
| CPI- (MoM) | July,2019 | % | 2.30 |
| Core CPI-Non-Food-Non-Energy-NFNE-YoY | July,2019 | % | 8.20 |
| Core CPI-Trimmed 20%-YoY | July,2019 | % | 8.50 |
| PAK CPI-YoY munus US CPI-YoY | 11.60%-1.80% | % | 9.80 |
| M2 Growth-YoY | 1 July 19 - 30-Aug 19 | % | (0.93) |
| Net Govt. Sector Borrowing | 1 July 19 - 30-Aug 19 | Rs bn | 12.42 |
| GOVT. Borrowing for budgetary support from SBP | 1 July 19 - 30-Aug 19 | Rs bn | 25.26 |
| Credit to Private Sector-YoY | 1 July 19 - 30-Aug 19 | Rs bn | (84.60) |
| Govt. Foreign Commercial Banks Borrowing | 1MFY-19/20 | USD mn | 173.31 |
| SBP Policy Rate | FY-19/20 YTD | % | 13.25 |
| SBP O/N REPO & Reserve REPO Rate | Floor & Ceiling | % | 11.75-13.75 |
| SBP Policy Rate minus USD FED Fund Rate | 13.25%-2.25% | % | 11.00 |
| 1-Year KIBOR minus 1-Year LIBOR | 13.53%-2.05% | % | 11.48 |
| Foreign Direct livestment-FDI | 1MFY-19/20 | USD mn | 73.4 |
| Home Remittance | 2MFY-19/20 | USD bn | 1.69 |
| Current Account Deficit-CAD | 1MFY-19/20 | USD mn | 579.000 |
| CAD % of GDP | 1MFY-19/20 | % | 2.50 |
| Trade -Deficit | 1MFY-19/20 | USD bn | 2.320 |
| Kerb USD/PKR | 16-Sep-19 | Bid/Ask | 156.00/156.75 |
| Real Effective Exchange Rate-REER | June, 2019 | Rs | 90.50 |
| Governmentt Domestic Debt | As at 28-02-2019 | Rs trn | 18.79 |
| External Debt | As at 30-12-2018 | USD bn | 99.1 |
| Standard & Poor's-S&P | Rating & Outlook | Rank | B |
| Moody's | Rating & Outlook | Rank | B3-Stable |
| MSCI-Emerging Market Index-EMI | 16-Sep-19 | Pts | 1,025.67 |
| Pakistan Stock Exchage-PSX-100 Index | 16-Sep-19 | Pts | 31,913.01 |
| Foreign Investor Portfolio Investment-FIPI | 13-Sep-19 | USD '000 | 1,077.67 |
| Special Convertible Rupee A/c-SCRA | 1 July 19 To-Date | USD mn | 104.32 |

| DATE | DATA | 3-MONTH | 6-MONTH | 12-MONTH |
|---|---|---|---|---|
| 13-Sep, 2019 | US-LIBOR Rate | 2.13938% | 2.07025% | 2.04913% |

**KIBOR AND PKRV RATE (%)** 16-Sep-19

| Tenor | | KIBOR | PKRV |
|---|---|---|---|
| 1-Month | | 13.30% | 13.69% |
| 3-Month | | 13.59% | 13.69% |
| 6-Month | | 13.67% | 13.74% |
| 12-Month | | 13.53% | 13.63% |

**Pakistan Investment Bonds-PIB's**

| Period | Types of Bonds | 25-July-19 | 16-Sep-19 |
|---|---|---|---|
| | | Cut Off Yields | Bid/Ask |
| 2-Years | | - | 13.10/02 |
| 3-Years | | 14.2500% | 12.85/75 |
| 5-Years | | 13.5500% | 12.50/45 |
| 10-Years | Fixed | 13.1495% | 12.40/30 |
| | * Floating | 14.7000% | 14.33 |

**Market Treasury Bills-MTB**

| Tenor | | 29-Aug-18 | 16-Sep-19 |
|---|---|---|---|
| | | Cut Off Yields | Bid/Ask |
| 3-Months | | 13.7397% | 13.73/71 |
| 6-Months | | 13.9291% | 13.75/70 |
| 12-Months | | 13.9300% | 13.74/70 |

**Note:** * The secondary yields for 6 & 12-months tenors and 2 & 10-years (Fixed & Floating) period in T-Bills and PIB's are not available, so instead of leaving it blank, we inputed PKRV Rates.

| DATA | 20-May-19 |
|---|---|
| Pakistan Credit Default Swap - CDS | 376.80 |

**INTERNATIONAL EURO BOND ISSUE** 20-May-19

| Bond Issue | Issue Date | Maturity Date | Coupen Rate | Secondary Market Yields-% | |
|---|---|---|---|---|---|
| | | | | Bid | Ask |
| 5-Years EURO Bonds | 29-11-17 | 12-May-22 | 5.625% | 5.55 | 5.23 |
| 10-Years EURO Bonds | 29-11-17 | 12-May-27 | 6.875% | 7.05 | 6.98 |

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