

**FX – INTERBANK RATE:**

19-Dec	OPEN	HIGH	LOW	CLOSE	Last Day Close-LDC
<b>Ready Rates</b>	154.92	154.93	154.88	154.89	154.95

**FX-MARKET:**

- ✓ SBP revised and circulated vide FE Circular No 6 of 2019 dated December 17, 2019 the Chapter 19 of FX Manual with the subject “SBP Delegates FCY Loan Registration Function”.
- ✓ In this circular, SBP facilitate the corporate entities for raising (FCY loans from abroad and further improve the business environment in the country, SBP has delegated the registration of FCY loans from abroad to banks.
- ✓ Previously, it was required to register the loans above \$1mn, with Exchange Policy Department, SBP whereas the loans up to \$1mn were handled by the respective banks.
- ✓ According to new instructions, the respective banks will register the FCY loans irrespective of the amount. However, the banks will have to ensure that the FCY loans are in compliance with the relevant laws and regulations in force.
- ✓ Further, the minimum tenor of FCY loans, raised by corporate entities for working capital needs and by the banks for liquidity management purposes, has been reduced to 1-month.
- ✓ Today, The IMF executive board will meet with Pakistan authorities' to consider the staff level report and approval of 2<sup>nd</sup> tranche of about \$450mn under the \$6bn EFF.

**MONEY MARKET:**

**MARKET TREASURY BILLS-MTB AUCTION REPORT & RESULT:**

- ✓ Yesterday, SBP held its MTB Auction for FY-19/20, where the target amount was Rs300.0bn while the maturity amount was Rs125.50bn. The total bid participation is recorded more than double from the target amount Rs817.70bn. We expect that MTB Cut-off yield will be dropped by 9bps and 19bps in 3 and 12-month tenor respectively. While 6-month Cut-off Yield will be remained same.
- ✓ But the Govt. accepted the amount more than the target amount Rs463.05bn that is divided into 3, 6 and 12-month tenors Rs220.30bn, Rs11.65bn and Rs231.09bn respectively. The MTB Cut-off Yield dropped in 3 and 12-month tenor by 4bps and 1bps respectively, while in 6-month tenor MTB Cut-off yield remained the same.
- ✓ Today MM initiated at 13.30% and traded whole day with-in the range of 13.25%-13.50% and closed at 13.40%.

USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1850	0.0500	7.80%
2-WEEK	0.5150	0.0450	9.63%
1-MONTH	0.8500	0.0500	8.20%
2-MONTH	1.6500	0.0500	8.41%
3-MONTH	2.6500	0.2500	8.83%
4-MONTH	3.5500	0.1000	8.86%
5-MONTH	4.5500	0.1000	8.90%
6-MONTH	5.6000	0.1500	9.06%
12-MONTH	11.5000	0.5000	9.37%

ECONOMIC INDICATORS				
Items	Y	Period	Unit	Figure
Gross Domestic Product-GDP	4MFY-19/20		USD bn	92.125
Foreign Exchange-FX-Reserves		6-Dec-19	USD bn	16.048
FE-25 Import Financing		November, 2019	USD mn	411
SBP Forward/Swap Position		30-Nov-19	USD bn	(5.022)
Net International Reserves-NIR (EST)		6-Dec-19	USD bn	(13.880)
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)		November, 2019	%	12.67
CPI- (MoM)		November, 2019	%	1.33
CPI-Urban-YoY		November, 2019	%	12.10
CPI-Rural-YoY		November, 2019	%	13.60
PAK CPI-YoY minus US CPI-YoY			%	10.57
M2 Growth-YoY		1 July 19 - 6-Dec 19	%	2.23
Net Govt. Sector Borrowing		1 July 19 - 6-Dec 19	Rs bn	488.11
GOVT. Borrowing for budgetary support from SBP		1 July 19 - 6-Dec 19	Rs bn	550.10
Credit to Private Sector-YoY		1 July 19 - 6-Dec 19	Rs bn	78.75
Govt. Foreign Commercial Banks Borrowing		4MFY-19/20	USD mn	784.97
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%-2.50%	%	10.75
1-Year KIBOR minus 1-Year LIBOR		12.88%-1.97%	%	10.91
Foreign Direct Investment-FDI		5MFY-19/20	USD mn	850.1
Home Remittance		5MFY-19/20	USD bn	9.298
Current Account Deficit-CAD		4MFY-19/20	USD bn	1.474
CAD % of GDP		4MFY-19/20	%	1.60
Trade -Deficit		4MFY-19/20	USD bn	7.804
Kerb USD/PKR		19-Dec-19	Bid/Ask	154.40/155.00
Real Effective Exchange Rate-REER		August, 2019	Rs	92.71
Government Domestic Debt		As at 28-02-2019	Rs tm	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		19-Dec-19	Pts	1,105.67
Pakistan Stock Exchange-PSX-100 Index		19-Dec-19	Pts	40,658.85
Foreign Investor Portfolio Investment-FIPI		18-Dec-19	USD '000	1,640.05
Special Convertible Rupee A/c-SCRA-Cumulative		1 July 19 To-Date	USD mn	1213.27
Special Convertible Rupee A/c-SCRA-T-Bills		1 July 19 To-Date	USD mn	1218.60
Special Convertible Rupee A/c-SCRA-T-Bills		Dec-19	USD mn	64.44

DATE	DATA	3-MONTH	6-MONTH	12-MONTH
17-Dec, 2019	US-LIBOR Rate	1.90250%	1.90463%	1.96838%

KIBOR AND PKRV RATE (%)			
Tenor		19-Dec-19	PKRV
1-Month		13.15%	13.40%
3-Month		13.27%	13.36%
6-Month		13.21%	13.35%
12-Month		12.88%	12.93%

Pakistan Investment Bonds- PIB's			
Period	Types of Bonds	12-Dec-19 Cut Off Yields	19-Dec-19 Bid/Ask
2-Years		-	12.15/10
3-Years		11.7500%	11.65/60
5-Years		11.1939%	11.03/10.97
10-Years	Fixed	10.9968%	11.02/11.00
	* Floating	13.8899%	13.94

Market Treasury Bills-MTB			
Tenor		19-Dec-19 Cut Off Yields	19-Dec-19 Bid/Ask
3-Months		13.4897%	13.40/38
6-Months		13.2899%	13.32/29
12-Months		13.1340%	13.10/05

**Note:** \* The secondary yields for 10-years (Floating Bonds) are not available, so instead of leaving it blank, we inputted PKRV Rates.





