

DAILY C&M MARKET REVIEW

FOREIGN EXCHANGE-FX-MARKET:

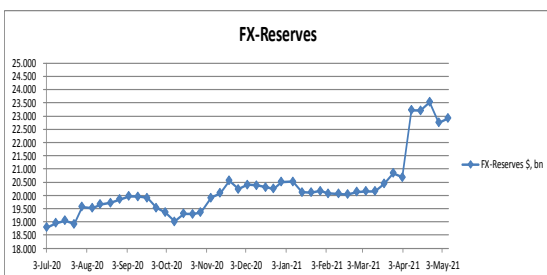
- Today, in interbank session, PKR appreciated by 24paise from the yesterday's close Rs153.22 to Rs153.46.
- During the day, USD/PKR traded within the range of 25paise from low at Rs153.30 to high at Rs153.55.



ECONOMIC-DATA:

FOREIGN EXCHANGE-FX-RESERVES:

- SBP released the figure of total FX-Reserves for the week ended 7th May 2021. According to the SBP, FX-Reserves advanced by \$167.70mn or 0.73% as compared to the last week \$22.74bn to \$22.91bn.
- The break-up of total FX-Reserves are as under;
- SBP held FX-Reserves increased by \$176.60mn or 1.12% from \$15.59bn to \$15.77bn while FX-Reserves held in other banks fell by \$8.90mn from \$7.14bn to \$7.13bn respectively.



FX-RESERVES WoW Change				
Amount in \$, mn				
FX-RESERVES Held by	Previous	Current	Change	Change
	30-Apr-21	7-May-21	\$	%
State Bank of Pakistan-SBP	15,597.90	15,774.50	176.60	1.12
Commercial Banks	7,144.70	7,135.80	(8.90)	(0.12)
Total	22,742.60	22,910.30	167.70	0.73

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Event	Impact	Actual	Forecast	Previous
20/5/2021	FX-Reserves for 7 May 21	MEDIUM	\$22.910bn	\$24.002bn	\$22.742bn

Ready Rates-PKR		20/5/2021
Open	153.30	Last Day Close-LDC: 153.22
High	153.55	
Low	153.30	
Close	153.46	

USD/PKR SWAP YIELDS-%

PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2080	(0.0143)	7.13%
2-Week	0.4153	(0.0169)	7.13%
1-Month	0.9278	(0.0556)	6.78%
2-Month	1.5774	(0.0761)	6.27%
3-Month	2.4674	(0.0748)	6.53%
4-Month	3.3740	(0.0689)	6.63%
5-Month	4.1445	(0.0583)	6.62%
6-Month	5.0147	(0.0016)	6.67%
9-Month	7.8905	(0.0737)	7.23%
1-Year	10.6033	0.0163	7.17%

FOREIGN EXCHANGE-FX ECONOMIC INDICATORS

Items	Period	Unit	Figure
Gross Domestic Product-GDP			
GDP	7MFY-20/21	USD bn	176.2
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	7-May-21	USD bn	22.91
FE-25 Import Financing	April, 2021	USD mn	485
SBP Forward/Swap Position	28-Feb-21	USD bn	(4,540)
Net International Reserves-NIR (EST)	7-May-21	USD bn	(4,562)
Kerb USD/PKR	20-May-21	Bid/Ask	153.10/154.10
Real Effective Exchange Rate-REER	March, 2021	Rs	100.50
FX-Economic Data			
Foreign Direct Investment-FDI	9MFY-20/21	USD bn	1.40
Home Remittance	10MFY-20/21	USD bn	24,246
CAB-S(D)	9MFY-20/21	USD mn	959,000
CAB-S(D) % of GDP	9MFY-20/21	%	0.50
Trade Balance-S(D)	9MFY-20/21	USD bn	(20,019)
GOVT, Circular Debt & External Liabilities			
Government Domestic Debt & Liabilities	As at 31-12-2020	Rs tm	15.59
External Debt	As at 31-12-2020	USD bn	115.76
Central Debt	1HFY-20/21	Rs tm	24.31

KIBOR AND PKRV RATE (%)			20-May-21
Tenor	KIBOR-%	PKRV Rates-%	
1-Month	7.01	7.21	
3-Month	7.21	7.31	
6-Month	7.40	7.52	
12-Month	7.54	7.67	

Pakistan Investment Bonds-PIB's			
Period	14-Apr-21	20-May-21	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	8.00	7.95
3-Yrs	9.2700	8.65	8.64
5-Yrs	9.8500	9.20	9.16
10-Yrs-Fix	10.2540	10.00	9.90
Floating	8.0501	102	101.75
15-years*	10.0000		10.30
20-years*	10.5800		10.50

Market Treasury Bills-MTB			
Tenor	20-May-21	20-May-21	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	7.3492	7.32	7.28
6-M	7.6000	7.56	7.54
12-M	7.6898	7.68	7.64

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

MONEY MARKET-MM ECONOMIC INDICATORS

Items	Period	Unit	Figure
Large Scale Manufacturing Industries-LSMI			
LSMI	7MFY-20/21	bps	149.88
Consumer Price Index-CPI			
Sensitive Price Index-SP-WoW	6-May-21	bps	149.01
CPI (YoY)	April, 2021	%	11.10
CPI (MoM)	April, 2021	%	1.00
CPI-Urban-YoY	April, 2021	%	11.00
CPI-Rural-YoY	April, 2021	%	11.30
PAK CPI-YoY minus US CPI-YoY	11.10%-2.60%		8.50
M2 Growth			
M2 Growth-YoY	1 July 20-30-Apr 21	%	7.96
Net Govt. Sector Borrowing	1 July 20-30-Apr 21	Rs bn	652.97
GOVT. borrowing for budgetary support from SBP	1 July 20-30-Apr 21	Rs bn	675.86
Credit to Private Sector-YoY	1 July 20-30-Apr 21	Rs bn	454.49
Govt. Foreign Commercial Banks Borrowing	10FY-20/21	USD mn	136.70
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	7.24%-0.28%	%	7.46
Rating & Outlook			
Standard & Poor's-SBP	Rating & Outlook	Rank	B-
Moody's	Rating & Outlook	Rank	B3-Stable
Stock Exchange & Market Index			
MSCI-Emerging Market Index-EMI	20-May-21	Pts	1,324.37
Pakistan Stock Exchange-PSX-100 Index	20-May-21	Pts	45,547.78
Foreign Investor Portfolio Investment-FIPI	19-May-21	USD '000	(41,974.978)
Special Convertible Rupee Account-A/C-SCRA			
SCRA-Cumulative	1 July 20 To-Date	USD mn	(456.44)
SCRA-T-bills & PIB's	1 July 20 To-Date	USD mn	(83.55)
SCRA-T-bills & PIB's	May-21	USD mn	(42.04)

US-LIBOR Rate			18/5/2021
Tenor	Units	LIBOR Rate	
3-Month	%	0.15525	
6-Month	%	0.18375	
12-Month	%	0.26275	

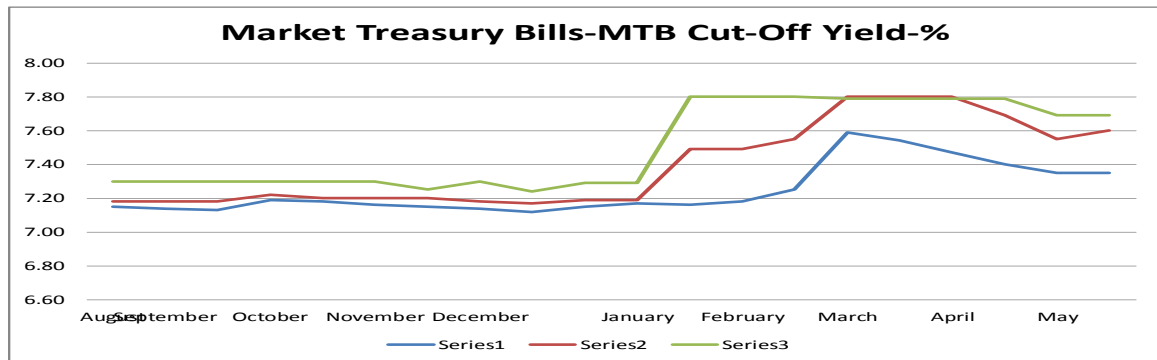
MONEY MARKET-MM:

- Today, SBP conducted 8-Days OMO (Injection), where bid amount total was Rs393.50bn from which the accepted amount was Rs265.50bn at 7.06%.
- Today, MM initiated at 7.40% and traded whole day within the range at 7.10%-7.75% and closed at 7.15%.

ECONOMIC-DATA:

MARKET TREASURY BILLS-MTB AUCTION REPORT & RESULT:

- Yesterday, SBP held its MTB Auction for FY-20/21. Where target amount was Rs500.0bn while the maturity amount was Rs359.0bn. The total bid participation amount was recorded more than double from the target amount and more than three times higher from the maturity amount Rs1.09trn that is divided into 3, 6 and 12-month tenor Rs453.91bn, Rs552.53bn and Rs91.61bn respectively.
- We expect that the MTB Cut-off Yield for 3, 6 and 12-months tenor will be rose by 13bps, 12bps and 1bps from 7.35% to 7.48%, 7.55% to 7.67% and 7.69% to 7.70% respectively.
- But the Govt. accepted the amount that was higher from the target and maturity amount Rs526.93bn that is distributed into 3, 6 and 12-month tenor Rs179.78bn, Rs325.54bn and Rs21.61bn respectively.
- The MTB Cut-off Yield remained unchanged in 3 and 12-month tenors, while in 6-month tenor MTB Cut-off Yield rose by 5bps from 7.55% to 7.60% respectively.



ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Event	Impact	Actual	Forecast	Previous
19/5/2021	3-Month MTB Cut-off Yield	MEDIUM	7.35%	7.48%	7.35%
19/5/2021	6-Month MTB Cut-off Yield	MEDIUM	7.60%	7.67%	7.55%
19/5/2021	12-Month MTB Cut-off Yield	MEDIUM	7.69%	7.70%	7.69%