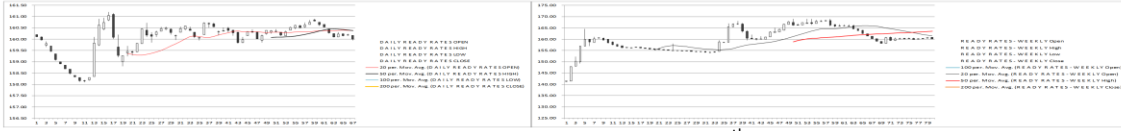


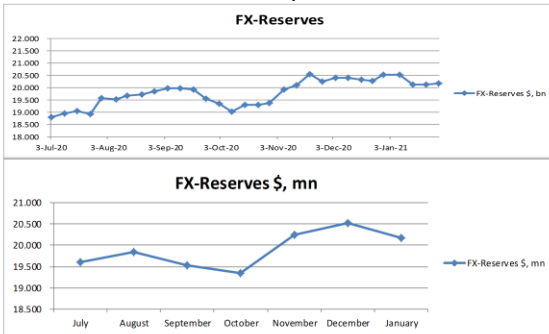
DAILY C&M MARKET REVIEW

FOREIGN EXCHANGE-FX-MARKET:

- Today, in interbank session, PKR appreciated by 19paise against the yesterday's close at Rs160.19 to Rs160.00.
- During the day, USD/PKR traded within the range of 22paise from low at Rs159.95 to high at Rs160.17.
- On WoW basis, in interbank session, PKR appreciated by 10paise against the yesterday's close at Rs160.10 to Rs160.00.
- During the last whole week, USD/PKR traded within the range of 35paise from low at Rs159.95 to high at Rs160.30.



- SBP released the figure of total FX-Reserves for the week ended 29th January 2021. According to the SBP, FX-Reserves advanced by \$56.60mn as compared to the last week \$20.10bn to \$20.16bn.
- The break-up of total FX-Reserves are as under;
- SBP held FX-Reserves increased by \$32.80mn from \$12.99bn to \$13.03bn while FX-Reserves held in other banks also rose by \$23.80mn from \$7.10bn to \$7.13bn respectively.
- On WoW basis, FX-Reserves plunged by \$349.0mn as compared to the previous month \$20.51bn to \$20.16bn
- SBP held FX-Reserves declined by \$381.10mn or 2.92% from \$13.41bn to \$13.03bn while FX-Reserves held in other banks rose by \$32.10mn from \$7.09bn to \$7.13bn respectively..



| FX-RESERVES WoW Change | | | | |
|----------------------------|------------------|------------------|--------------|-------------|
| Amount in \$, mn | | | | |
| FX-RESERVES Held by | Previous | Current | Change | Change % |
| State Bank of Pakistan-SBP | 12,998.40 | 13,031.20 | 32.80 | 0.25 |
| Commercial Banks | 7,108.10 | 7,131.90 | 23.80 | 0.33 |
| Total | 20,106.50 | 20,163.10 | 56.60 | 0.28 |

| FX-RESERVES MoM Change | | | | |
|----------------------------|------------------|------------------|-----------------|---------------|
| Amount in \$, mn | | | | |
| FX-RESERVES Held by | January | February | Change in \$ | Change in % |
| State Bank of Pakistan-SBP | 13,412.30 | 13,031.20 | (381.10) | (2.92) |
| Commercial Banks | 7,099.80 | 7,131.90 | 32.10 | 0.45 |
| Total | 20,512.10 | 20,163.10 | (349.00) | (1.73) |

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

| Date | Event | Impact | Actual | Forecast | Previous |
|----------|---------------------------|--------|------------|------------|------------|
| 4/2/2021 | FX-Reserves for 29 Jan 21 | MEDIUM | \$20.163bn | \$20.095bn | \$20.106bn |

| Ready Rates-PKR | | 4/2/2021 | |
|-----------------|--------|-------------------------------|--|
| Open | 160.17 | Last Day Close LDC: 160.19 | |
| High | 160.17 | | |
| Low | 159.95 | | |
| Close | 159.99 | | |

| USD/PKR SWAP YIELDS-% | | | |
|-----------------------|---------|--------------------|------------------------|
| PERIOD | SWAP | Change in Premiums | Swap Implied PKR Yield |
| 1-Week | 0.2222 | (0.0002) | 7.33% |
| 1-Month | 0.8979 | 0.0040 | 6.73% |
| 2-Month | 1.9104 | (0.0250) | 7.55% |
| 3-Month | 2.8019 | (0.0010) | 7.31% |
| 4-Month | 3.7420 | 0.0073 | 7.21% |
| 5-Month | 4.7752 | (0.0278) | 7.34% |
| 6-Month | 5.6217 | (0.0163) | 7.19% |
| 1-Year | 10.5934 | 0.2435 | 6.93% |

| FOR EXCHANGE ECONOMIC INDICATORS | | | |
|--|----------------|-------|-----------|
| Items | Period | Unit | Figure |
| Gas Domestic Production | | | |
| GP | 1-Feb-21 | USDm | 1465 |
| Foreign Reserves | | | |
| FX Reserves MoM | 2-Jan-21 | USDm | 2016 |
| REZingnet Financing | December, 2020 | USDm | 37 |
| SBP Forward Swap Position | 31-Dec-20 | USDm | (460) |
| Net International Reserves (NIR) | 22-Jan-21 | USDm | (108) |
| Net US FDI | 3-Feb-21 | Bd/Ak | 1600/1600 |
| Real Effective Exchange Rate (RER) | October, 2020 | R | 9211 |
| Macroeconomic Data | | | |
| Foreign Direct Investment (FDI) | 1-Feb-21 | USDm | 9260 |
| Home Remittance | 1-Feb-21 | USDm | 1428 |
| CRP(CA) | 1-Feb-21 | USDm | 1131 |
| CRP/GDP | 1-Feb-21 | % | 0.00 |
| Trade Balance (Trade Deficit) | 1-Feb-21 | USDm | (238) |
| Govt. Debt & External Liabilities | | | |
| Government Domestic Debt & Liabilities | As at 31-12-20 | Rtm | 142 |
| External Debt | As at 31-12-20 | USDm | 10288 |
| Circular Debt | Feb-21 | Rtm | 228 |

KIBOR AND PKRV RATE (%) 4-Feb-21

| Tenor | KIBOR-% | PKRV Rates-% |
|----------|---------|--------------|
| 1-Month | 6.99 | 7.15 |
| 3-Month | 7.09 | 7.18 |
| 6-Month | 7.31 | 7.42 |
| 12-Month | 7.47 | 7.74 |

Pakistan Investment Bonds-PIB's

| Period | 3-Feb-21 | 4-Feb-21 | |
|------------|------------------|----------|--------|
| | Cut Off Yields-% | Bid-% | Ask-% |
| 2-Yrs | - | 8.55 | 8.50 |
| 3-Yrs | 8.4999 | 8.85 | 8.80 |
| 5-Yrs | 9.5298 | 9.60 | 9.50 |
| 10-Yrs-Fix | 9.9900 | 10.10 | 9.90 |
| Floating | 7.5498 | 10.2 | 10.175 |
| 15-years* | 10.0000 | | 10.31 |
| 20-years* | 10.5800 | | 10.52 |

Market Treasury Bills-MTB

| Tenor | 27-Jan-21 | 4-Feb-21 | |
|-------|------------------|----------|-------|
| | Cut Off Yields-% | Bid-% | Ask-% |
| 3-M | 7.1597 | 7.20 | 7.17 |
| 6-M | 7.4900 | 7.40 | 7.38 |
| 12-M | 7.7989 | 7.78 | 7.70 |

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 | 5-Feb-21 | bps | 138.52 |
| Consumer Price Index-CPI | | | |
| Sensitive Price Index-SP-MAIN | 28-Jan-21 | bps | 140.88 |
| CPI (YoY) | December, 2020 | % | 7.97 |
| CPI (MoM) | December, 2020 | % | -0.68 |
| CPI-Urban YoY | December, 2020 | % | 7.00 |
| CPI-Rural YoY | December, 2020 | % | 9.50 |
| PKR CPI YoY minus US CPI YoY | 7.97% 1.20% | % | 6.77 |
| NG Growth | | | |
| NG Growth YoY | 1 July 20-22-Jan-21 | % | 2.53 |
| Net Govt. Sector Borrowing | 1 July 20-22-Jan-21 | Rtm | 123.62 |
| Govt. Borrowing for budgetary support from SBP | 1 July 20-22-Jan-21 | Rtm | 203.09 |
| Credit to Private Sector YoY | 1 July 20-22-Jan-21 | Rtm | 234.72 |
| Govt. Foreign Commercial Banks Borrowing | 10-Feb-21 | USDm | 136.70 |
| Policy Rate | | | |
| SBP Policy Rate | FY-20/21 YTD | % | 7.00 |
| SBP QN REPO & Reserve REPO Rate | Floor & Ceiling | % | 6.00-8.00 |
| SBP Policy Rate minus USD FED Fund Rate | | % | 6.75 |
| 1 Year KIBOR minus 1 Year LIBOR | 7.20% 0.34% | % | 6.86 |
| Rating & Outlook | | | |
| Standard & Poor's S&P | Rating & Outlook | Rank | B- |
| Mood's | Rating & Outlook | Rank | B3 Stable |
| Stock Exchange & Market Index | | | |
| MSCI Emerging Market Index-EM | 4-Feb-21 | Pts | 1,387.03 |
| Pakistan Stock Exchange PSX-30 Index | 4-Feb-21 | Pts | 46,912.85 |
| Foreign Investor Portfolio Investment-FPI | 3-Feb-21 | USD TTD | 2,604.638 |
| Special Government Revenue Account-SGRS | | | |
| SGR-Cumulative | 1 July 20 To Date | USDm | (62.74) |
| SGR-T-Bills & PIBs | 1 July 20 To Date | USDm | (161.85) |
| SGR-T-Bills & PIBs | Feb-21 | USDm | (12.8) |

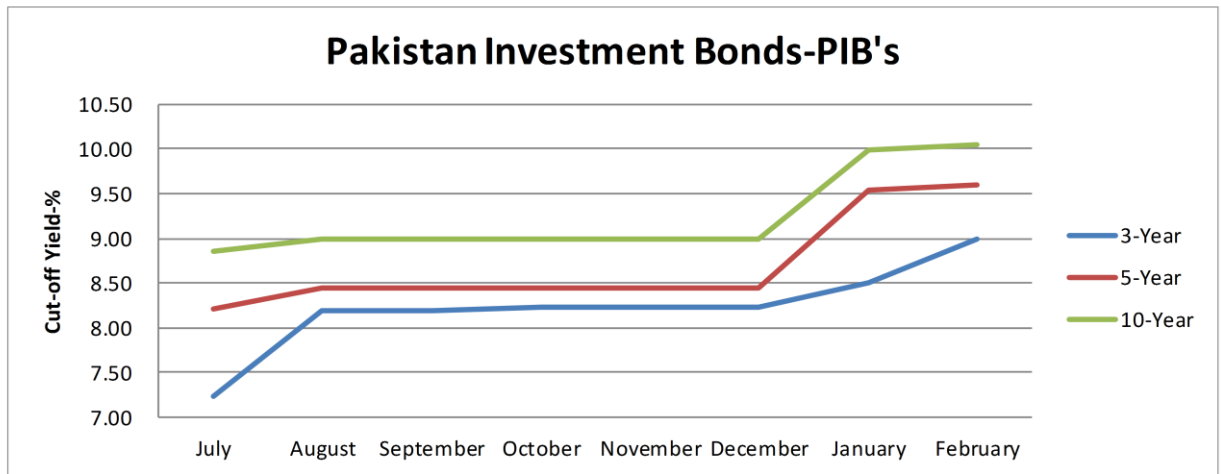
US-LIBOR Rate 2/2/2021

| Tenor | Units | LIBOR Rate |
|----------|-------|------------|
| 3-Month | % | 0.19225 |
| 6-Month | % | 0.21713 |
| 12-Month | % | 0.30413 |

MONEY MARKET-MM:

PAKISTAN INVESTMENT BONDS-PIB's AUCTION REPORT & RESULT:

- Yesterday, SBP held its 8TH PIB Auction for FY-20/21. Where target amount was Rs100.0bn while the maturity amount was NIL. The total bid participation amount was recorded more than double from the target amount Rs255.69bn.
- We expect that the PIB Cut-off Yield for 3, 5 and 10-year periods will be dropped by 31bps, 23bps and 72bps from 8.50% to 8.19%, 9.53% to 9.30% and 9.99% to 9.23% respectively.
- But the Govt. borrowed the amount Rs60.07bn that is distributed into 3, 5, 10 and 20-years periods Rs10.45bn, Rs21.04bn, Rs27.08bn and Rs1.50bn respectively.
- The PIB Cut-off Yield rose by 49bps, 6bps and 6bps from 8.50% to 8.99%, 9.53% to 9.59% and 9.99% to 10.05% in 3, 5 and 10-year period respectively.



- Today MM initiated the market at 6.50% and traded whole day within the range at 6.30%-7.00% and closed at 7.00%.

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

| Date | Event | Impact | Actual | Forecast | Previous |
|----------|----------------------------|--------|--------|----------|----------|
| 3/2/2021 | 3-Years PIB Cut-Off leild | HIGH | 8.99% | 8.19% | 8.50% |
| 3/2/2021 | 5-Years PIB Cut-Off leild | HIGH | 9.59% | 9.30% | 9.53% |
| 3/2/2021 | 10-Years PIB Cut-Off leild | HIGH | 10.05% | 9.27% | 9.99% |
| 3/2/2021 | 15-Years PIB Cut-Off leild | HIGH | 10.00% | - | 10.00% |
| 3/2/2021 | 20-Years PIB Cut-Off leild | HIGH | 10.58% | - | 10.58% |