

**Foreign Exchange:**

**READY:**

13-Jan	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.57	105.67	105.52	105.57/62	105.48

Last day Close=LDC

**Forecast for tomorrow:**

- ✓ We expect the market to be range bound between **105.45/105.65** for tomorrow's trading.

**SWAP MARKET:**

- ✓ The SWAP rates made sharp slides in all tenors towards downwards. Today market felt some lower premiums which narrate sufficient enough money supply in the money market while premiums in longer tenor decline as-well as it suggested the indecision between buyers and sellers before MPS.

**Money Market:**

- ✓ The money market initiated at the top level of 9.50%-9.75% and rose slightly with an intra-day high 9.50% and came down later-on at the end with 8.00%-8.50%. In general, the market participants become puzzled ahead of MPS and remained lifeless with thin volumes with all eyes on the upcoming MPS decision.

**Commodities:**

- ✓ Yellow metal shows some positive movement on last Friday after US payroll data and touched US \$ 1255 this morning. We would suggest buying on dip in Gold, somewhere around **US \$ 1235-to-1240** target should be **US \$ 1272**.
- ✓ Black Gold currently not showing clear position so we would suggest need to wait for more confirmation; buying around **US \$ 91.50** would be suitable with a stop loss below **US \$ 91.00**.

13-Jan	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	92.73	92.86	92.08	92.04	92.60	-0.60%	3:40 p.m
GOLD (\$/oz)	1246.6	1254.09	1245.09	1246.08	1233.41	1.03%	3:40 p.m
SILVER (\$/oz)	20.11	20.35	20.08	20.05	19.74	1.57%	3:40 p.m

\*LTP= Last trade Price

Currency	Ask	MoM % Change
PKR-USD	105.57	-2.11%
PKR-EUR	143.49	-3.11%
PKR-JPY	1.0047	-3.78%
PKR-GBP	173.49	-2.02%

**Parity**

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.0872	9.94%	3.9%
2-WEEK	0.1700	9.83%	4.4%
1-MONTH	0.3919	9.89%	4.5%
2-MONTH	0.8045	9.88%	4.9%
3-MONTH	1.4243	9.88%	5.7%
4-MONTH	1.9550	9.90%	5.9%
5-MONTH	2.5151	9.91%	6.1%
6-MONTH	3.0811	9.93%	6.2%
12-MONTH	6.2427	10.01%	6.5%

**Economic Indicators**

Indicator	Date	Unit	Value
Forex Reserves	03-Jan-14	USD bn	8.04
CPI- MoM	1-Dec-13		1.32%
CPI- YoY	1-Dec-13		9.18%
M2 Growth	FY14 YTD		5.47%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July -Nov-13	USD bn	6.40

**Money Markets**

Market	Ask	Bid
<b>KIBOR 13 Jan 2014</b>		
1 Month	10.39%	9.89%
3 Month	10.09%	9.84%
6 Month	10.14%	9.89%
12 Month	10.46%	9.96%
<b>Auction 8 Jan 2014</b>		
<b>T-bill Yield</b>	<b>Weg.Average</b>	<b>Cut-off</b>
3M T-bill	9.9438%	9.9564%
6M T-bill	9.9491%	9.9791%
12M T-bill	9.9900%	9.9900%
<b>Auctions Dec 18 2013</b>		
<b>PIB Yield</b>		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%