

Foreign Exchange:

READY:

15-Jan	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.60	105.60	105.40	105.40/43	105.57

Last day Close=LDC

Forecast for tomorrow:

- ✓ We expect the market to be range bound between **105.35/105.52** for tomorrow's trading.

SWAP MARKET:

- ✓ The SWAP points witnessed slightly rose in all tenors and remain range-bound, there was however a rebound seen today with some correction at the end which was more of a technical retracement. The trend is expected to continue with marked difference between money market and forex rates.

Money Market:

- ✓ The money market initiated at the today at a floor level of 8.00%-8.25% and rose slightly with an intra-day high 9.00% and came down later-on at the end with 8.50%-9.00%. There still prevails chaos in the market ahead of MPS and remained lifeless with thin volumes with all eyes on the upcoming MPS decision.

Commodities:

- ✓ Gold dropped for a second day from the highest level in a month as the rally reduced demand amid speculation that the U.S. Federal Reserve will continue reducing asset purchases. We suggest selling on the higher side, with stop loss above US \$ 1255. The support and resistance are at US \$ 1238 and US \$ 1253, respectively.
- ✓ Black Gold adjusted its previous loss; MACD is still heading down, signaling a neutral view. We suggest staying long above US \$ 91.50. The support and resistance are at US \$ 91.80 and US \$ 93.15, respectively.

15-Jan	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	92.55	92.80	92.40	92.79	92.04	0.81%	4:15 p.m
GOLD (\$/oz)	1244.49	1244.94	1235.55	1239.37	1246.08	-0.54%	4:15 p.m
SILVER (\$/oz)	20.22	20.24	19.96	20.1	20.05	0.25%	4:15 p.m

Currency	Ask	MoM % Change
PKR-USD	105.42	-1.74%
PKR-EUR	143.48	-2.83%
PKR-JPY	1.0100	-3.04%
PKR-GBP	172.98	-1.13%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1191	9.94%	6.0%
2-WEEK	0.2350	9.83%	6.0%
1-MONTH	0.4977	9.89%	5.2%
2-MONTH	0.9097	9.88%	5.4%
3-MONTH	1.4922	9.88%	6.0%
4-MONTH	2.0342	9.90%	6.2%
5-MONTH	2.6167	9.91%	6.3%
6-MONTH	3.1662	9.93%	6.4%
12-MONTH	6.3265	10.01%	6.6%

Economic Indicators

Indicator	Date	USD bn	Value
Forex Reserves	03-Jan-14	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 -Dec-13	7.79	

Money Markets

Market	Ask	Bid
KIBOR 15 Jan 2014		
1 Month	9.96%	9.46%
3 Month	10.09%	9.84%
6 Month	10.15%	9.90%
12 Month	10.46%	9.96%
Auction 8 Jan 2014		
T-bill Yield	Weg.Average	Cut-off
3M T-bill	9.9438%	9.9564%
6M T-bill	9.9491%	9.9791%
12M T-bill	9.9900%	9.9900%
Auctions Dec 18 2013		
PIB Yield		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%