

Foreign Exchange:

READY:

17-Jan	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.46	105.50	105.35	105.39/41	105.48

Last day Close=LDC

Forecast for tomorrow:

- ✓ We expect the market to be range bound between **105.30/105.50** for tomorrow's trading.

SWAP MARKET:

- ✓ The SWAP rates remained identical as we predicted yesterday report and persists with gains in all tenors as fall in greenback made the premium rose in all tenors. Looking at the current market standing tomorrow activity will likely follow-up this trend with slightly high premiums.

Money Market:

- ✓ The money market initiated at the top level of 9.50%-9.75% and rose slightly with an intra-day high 9.90% and remained range-bound between 9.75%-9.90% at the close of the market today; as market participants become puzzled ahead of MPS and remained lifeless with thin volumes with all eyes on the upcoming MPS decision.

Commodities:

- ✓ Gold held steady early Friday, but was set to post its first weekly slump in four as better-than-expected data from the world's largest economy offset the metal's safe-haven appeal. We suggest remaining neutral; buy on dips at US \$ **1232-1220** with stop loss below US \$ **1218** and Sell below US \$ **1244-1254**.
- ✓ Black gold had another strong day after neutralizing excessive supply at support around US \$ **91.02**; WTI registered a decent recovery. This should produce further appreciation towards US \$ **94.71-94.89** with immediate support around US \$ **93.57**. On the daily chart, we see a support on stride towards US \$ **96.42-97.51**.

17-Jan	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	94.04	94.47	93.91	94.41	94.36	0.05%	4:00 p.m
GOLD (\$/oz)	1242.1	1244.55	1239.52	1242.78	1237.14	0.46%	4:00 p.m
SILVER (\$/oz)	20.08	20.16	20.01	20.09	20.02	0.35%	4:00 p.m

Currency	Ask	MoM % Change
PKR-USD	105.39	-1.53%
PKR-EUR	143.27	-2.79%
PKR-JPY	1.0094	-2.90%
PKR-GBP	173.23	-0.85%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1642	9.56%	8.2%
2-WEEK	0.2650	9.68%	6.7%
1-MONTH	0.5321	9.81%	5.9%
2-MONTH	0.9296	9.85%	5.7%
3-MONTH	1.4886	9.88%	6.0%
4-MONTH	2.5550	9.90%	7.6%
5-MONTH	2.6242	9.91%	6.4%
6-MONTH	3.1988	9.93%	6.5%
12-MONTH	6.3318	10.01%	6.6%

Economic Indicators

Indicator	Date	USD bn	Value
Forex Reserves	10-Jan-14	8.23	
CPI- MoM	1-Dec-13	1.32%	
CPI- YoY	1-Dec-13	9.18%	
M2 Growth	FY14 YTD	5.55%	
SBP Policy Rate	FY14 YTD	10.00%	
Home Remittance	July -Dec-13	7.79	

Money Markets

	Ask	Bid
KIBOR 16 Jan 2014		
1 Month	10.05%	9.55%
3 Month	10.08%	9.83%
6 Month	10.14%	9.89%
12 Month	10.44%	9.94%
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%