

**FX - INTERBANK:**

**READY MARKET:**

19-Feb	OPEN	HIGH	LOW	CLOSE	LDC
READY	104.88	104.93	104.88	104.88/90	104.86

Last day Close=LDC

**Forecast for tomorrow:**

- ✓ We expect the market to be range bound between **104.87/104.99** for tomorrow's trading.

**SWAP MARKET:**

- ✓ The SWAP rates remained identical but with faintly gain in all tenors. As yesterday suggested there is no apparent change of direction in the market; this trend is expected to continue with marked difference between money market and forex rates bound to continue in this week.

**MONEY MARKET:**

- ✓ Today SBP hold its MTB auction with total bid participated of amount around Rs 335bn for 3M, 6M and 12M tenor, against the target has been set at Rs 500bn while the maturing amount is Rs 561.30bn but participants as expected majorly skewed towards the 3M and 6M tenors while market remained pegged at the top level of 10.00%-10.10% and rose slightly with an intra-day high 10.05% and remained range-bound at a level of 9.75%-10.00% at the close of the market today.

**COMMODITIES MARKET:**

- ✓ **GOLD:** The current trend suggests buying. Prices are likely to face resistance at **\$1305**. A good buying level would be at **\$1305** which is also the **200DMA** with a stop loss of **\$1290**. Gold is expected to face some pressure in the shorter term but we still suggest buying on dip.
- ✓ **CRUDE:** Crude prices rose sharply yesterday due to the bolstering demand for the commodity. Prices are likely to find support at **\$99.70 (200DMA)** which is also a good buying level. s

19-Feb	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	103.13	103.20	101.94	102.08	100.88	1.19%	3:50 p.m
GOLD (\$/oz)	1321.78	1322.77	1314.24	1318.92	1314.3	0.35%	3:50 p.m
SILVER (\$/oz)	21.91	21.92	21.61	21.79	21.4	1.82%	3:50 p.m

Currency	Ask	MoM % Change
PKR-USD	104.88	-0.55%
PKR-EUR	144.22	0.94%
PKR-JPY	1.0269	1.43%
PKR-GBP	174.97	0.89%

**Parity**

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1849	10.00%	9.3%
2-WEEK	0.3200	9.96%	8.1%
1-MONTH	0.6249	9.98%	7.9%
2-MONTH	1.2100	9.94%	7.1%
3-MONTH	1.7325	9.93%	7.0%
4-MONTH	2.2505	9.93%	6.8%
5-MONTH	2.7429	9.93%	6.6%
6-MONTH	3.2597	9.93%	6.6%
12-MONTH	6.4297	10.01%	6.7%

**Economic Indicators**

Forex Reserves	7-Feb-14	USD bn	7.58
CPI- MoM	1-Jan-14		0.50%
CPI- YoY	1-Jan-14		7.91%
M2 Growth	FY14 YTD		4.31%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July -Jan-14	USD bn	9.03
Current A/C Def.	July-Dec-13	USD bn	1.58
Trade -Deficit	July-Jan-14	USD Bn	11.10

**Money Markets**

	Ask	Bid
<b>KIBOR 19 Feb 2014</b>		
1 Month	10.27%	9.77%
3 Month	10.12%	9.87%
6 Month	10.16%	9.91%
12 Month	10.45%	9.95%
<b>Auction 4 Feb2014</b>		
<b>T-bill Yield</b>	<b>Weg.Average</b>	<b>Cut-off</b>
3M T-bill	9.9741%	9.9741%
6M T-bill	9.9791%	9.9791%
12M T-bill	9.9868%	9.9868%
<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%