

FX - INTERBANK:

READY MARKET:

20-Feb	OPEN	HIGH	LOW	CLOSE	LDC
READY	104.94	104.95	104.87	104.90/91	104.88

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, with the exception of slide in 1-week tenor while premiums registered gains in all remaining tenors today which were seen as the continuation of an expected trend and more of a technical correction than a reversal of market direction.

MONEY MARKET:

- ✓ Yesterday SBP raised Rs 319.19bn on Wednesday from the sale of (T-bills) that was much below the target of Rs 500bn. Banks' offered an amount of Rs 327bn for the auction of T-bills that was higher than both the target and the maturing amount. Yields stood at 9.9564% for the 3m T-bills tenure, while it was 9.9791% on 6m T-bills whereas 12m bids was rejected. Today market opened the day at a floor level of 8.00% and then later-on market remained range-bound while some activity was witnessed in T-Bills 14, 28 & 56 day paper; closed a level at around 8.75%-9.00%.

COMMODITIES MARKET:

- ✓ **GOLD:** Yellow metal showed some negative movement yesterday after FOMC minutes but still above 200 DMA level. Today we have seen a good level of buying around 200 DMA at US \$ **1303** with stop-loss of US \$ **1290**. Technicals in week still showing buying trend closing below at US \$ **1290**, and would showed more downward pressure until then we suggest buying in Gold.
- ✓ **CRUDE:** Black-Gold holding resistance around US \$ **103.30**, today inventory would clear further position. Crude still in strong buying technically.

20-Feb	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	102.85	102.98	102.43	102.63	102.08	0.54%	3:40 p.m
GOLD (\$/oz)	1311.2	1315.64	1308.5	1313.96	1318.92	-0.38%	3:40 p.m
SILVER (\$/oz)	21.5	21.69	21.38	21.69	21.79	-0.46%	3:40 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	0.1736	10.00%	8.7%
2-WEEK	0.3150	9.96%	8.0%
1-MONTH	0.6173	9.98%	7.8%
2-MONTH	1.2114	9.94%	7.1%
3-MONTH	1.7551	9.93%	7.1%
4-MONTH	2.3100	9.93%	7.0%
5-MONTH	2.8339	9.93%	6.9%
6-MONTH	3.3633	9.93%	6.8%
12-MONTH	6.4858	10.01%	6.7%

Economic Indicators

Indicator	Date	Unit	Value
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-Jan-14	USD bn	2.00
Trade -Deficit	July-Jan-14	USD Bn	11.10

Money Markets

Market	Ask	Bid
KIBOR 19 Feb 2014		
1 Month	10.27%	9.77%
3 Month	10.12%	9.87%
6 Month	10.16%	9.91%
12 Month	10.45%	9.95%
Auction 19 Feb 2014		
T-bill Yield	Weg.Average	Cut-off
3M T-bill	9.9541%	9.9564%
6M T-bill	9.9775%	9.9791%
12M T-bill	Bid-Rej	Bid-Rej.
Auctions Dec 18 2013		
PIB Yield		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%