

FX - INTERBANK:**READY MARKET:**

20-May	OPEN	HIGH	LOW	CLOSE	LDC
READY	98.65/75	98.80	98.68	98.74/78	98.65

Last day Close=LDC

Forecast for tomorrow:

As per today's activity, we expect the market to continue to trade within the range of **98.60/80**.

SWAP MARKET:

For the third day running the premiums moved higher with 1 month trading at RS 0.58, 3 month at Rs 1.55 and 6 months at Rs 2.87. The premiums which were trading at one month highs were soon offered aggressively with 1 month trading down to Rs 0.50, and the longer tenors trading 10-15 paisa's lower at the end of the trading day. We see further upticks in the premiums as selling opportunities and today's price action suggest that the forward buyers may take a back seat as their aggressive moves could not be sustained.

MONEY MARKET:

Today O/N money market initiated at top level of **10.10%-10.25%** and traded with a high level of **10.25%-10.35%** and closed also at the high level of **10.25%-10.30%**.

COMMODITIES MARKET:

GOLD: The Precious Yellow metal move upside yesterday but remained limited below **\$1309.35**. We suggest that short gold by breaking **\$1276.00**, profit taking at **\$1266.00** with stop loss above **\$1293.00**.

CRUDE: Crude Oil managed to build support above **\$102.00** after confirming the break below it. We suggest Crude Oil buy above **\$102.00** taking profit at **\$103.70** with stop less below **\$101.00**.

20-May	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	102.11	102.34	102.00	102.32	102.22	0.10%	3:45 p.m
GOLD (\$/oz)	1292.63	1294.69	1288.72	1292.84	1299.67	-0.53%	3:45 p.m
SILVER (\$/oz)	19.33	19.41	19.271	19.38	19.53	-0.77%	3:45 p.m

LTP= Last Trade Price

Currency	Ask	MoM % Change
PKR-USD	98.76	1.04%
PKR-EUR	135.256	0.61%
PKR-JPY	0.9750	2.66%
PKR-GBP	166.24	1.87%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1293	10.10%	6.9%
2-WEEK	0.2500	10.11%	6.8%
1-MONTH	0.4945	10.09%	6.0%
2-MONTH	0.9732	10.01%	6.0%
3-MONTH	1.4127	10.11%	5.9%
4-MONTH	1.8619	10.18%	5.8%
5-MONTH	2.2585	10.20%	5.8%
6-MONTH	2.7605	10.20%	5.9%
12-MONTH	6.0371	10.08%	6.6%

Economic Indicators

Indicator	Period	Unit	Value
Forex Reserves	2-May-14	USD bn	12.044
CPI- MoM	1-April-14		1.70%
CPI- YoY	1-April-14		9.18%
M2 Growth	FY14 YTD		6.12%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July- Apr-14	USD bn	12.894
Current A/C Def.	July-Apr-14	USD bn	2.3
Trade -Deficit	July-Apr-14	USD bn	16.108

Money Markets

Market	Ask	Bid
KIBOR 20 May 2014		
1 Month	10.41%	9.91%
3 Month	10.17%	9.92%
6 Month	10.17%	9.92%
12 Month	10.45%	9.95%
Auction 14 May 2014		
		Bid/Ask
T-bill Yield	Cut-off	20 May 2014
3M T-bill	9.9564%	10.10/10.00
6M T-bill	9.9791%	10.05/10.10
12M T-bill	9.9900%	10.02/10.00
Auctions		
PIB Yield	24 April 2014	20 May 2014
3Year	12.0930%	12.04/02
5Year	12.5521 %	12.49/47
10Year	12.9016%	10.85/83