

FX MARKET:

READY:

23-Jan	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.40	105.43	105.40	105.42/44	105.44

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 but with persisted gains 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:

- ✓ The money market initiated at the top level of 10.00%-10.25% and rose slightly with an intra-day high 10.10% and remained range-bound at a level of 10.00% at the close of the market today. As market participants generally interested in 1W & 2W tenors

COMMODITIES:

- ✓ Gold traded near its lowest level in two weeks today at US \$ **1231.36**, amid speculations the Fed would resume its stimulus taper, ahead of today's jobless claims data. We suggest sell below US \$ **1240** with targets at US \$ **1231.05**, with stop-loss above US \$ **1250.85**.
- ✓ The markets are really wild today. After three consecutive bullish rallies Crude oil stopped its advance today after China's manufacturing unexpectedly contracted in January; but we continue to hold a bullish outlook on oil for the day so we recommend buying around US \$ **95.90** or lower levels.

23-Jan	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	96.62	96.88	96.40	96.69	95.54	1.20%	3:40 p.m
GOLD (\$/oz)	1235.64	1247.98	1231.52	1245.14	1239.33	0.47%	3:40 p.m
SILVER (\$/oz)	19.75	20.13	19.64	20.07	19.82	1.26%	3:40 p.m

*LTP= Last trade Price

Currency	Ask	MoM % Change
PKR-USD	105.41	0.04%
PKR-EUR	143.64	-0.42%
PKR-JPY	1.0103	0.45%
PKR-GBP	174.99	1.37%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1574	9.79%	7.9%
2-WEEK	0.2650	9.81%	6.7%
1-MONTH	0.5344	9.81%	5.9%
2-MONTH	0.9577	9.83%	5.7%
3-MONTH	1.5019	9.83%	6.0%
4-MONTH	2.0709	9.89%	6.3%
5-MONTH	2.6116	9.89%	6.4%
6-MONTH	3.2070	9.93%	6.5%
12-MONTH	6.3208	10.01%	6.6%

Economic Indicators

		USD bn	
Forex Reserves	10-Jan-14	8.31	
CPI- MoM	1-Dec-13	1.32%	
CPI- YoY	1-Dec-13	9.18%	
M2 Growth	FY14 YTD	5.74%	
SBP Policy Rate	FY14 YTD	10.00%	
Home Remittance	July -Dec-13	7.79	USD bn

Money Markets

	Ask	Bid
KIBOR 22 Jan 2014		
1 Month	10.11%	9.61%
3 Month	10.08%	9.83%
6 Month	10.13%	9.88%
12 Month	10.44%	9.94%
Auction 22 Jan 2014		
T-bill Yield	Weg.Average	Cut-off
3M T-bill	9.9215%	9.9564%
6M T-bill	9.9764%	9.9791%
12M T-bill	9.9873%	9.9900%
Auctions Dec 18 2013		
PIB Yield		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%