

FX - INTERBANK:

READY MARKET:

26-Feb	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.05	105.05	104.95	104.95/104.97	105.08

Last day Close=LDC

Forecast for tomorrow:

- ✓ We expect the market to be range bound between **104.90/105.10** for tomorrow's trading.

SWAP MARKET:

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

MONEY MARKET:

- ✓ SBP is expected to hold its second PIB. Auction today for the 3QFY14 total bit participated of amount around Rs 286bn for a major skewness towards 3 year tenor and 5 year tenors. Money market remained flat traded at the top level of 8.00% -8.50% for most part of the day with an intra-day high of 8.00% and remained flat throughout the day and ended at a floor level at 7.50% level to follow-up its incessant same pattern.

COMMODITIES MARKET:

- ✓ **GOLD:** Yellow metal will heading to another peak and about to touch at **US \$ 1351** resistance level. Slowly metal heading towards another high as expected and if this trend moves in the same pace then the next target level would be **US \$ 1371**. Technicals are showing strong buying, so we suggest buying buy-on-dip. Gold might return a bit after testing **US \$ 1351** but we still saw buying in Gold.
- ✓ **CRUDE:** Black-Gold showed download pressure on yesterday. We suggest selling on strength with stop-loss of **US \$ 103.50**. Today's inventory data clear further Crude position.

26-Feb	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	102.03	102.24	101.55	102.06	102.04	0.02%	3:50 p.m
GOLD (\$/oz)	1340.25	1345.28	1337.52	1340.14	1332.95	0.54%	3:50 p.m
SILVER (\$/oz)	21.84	22.02	21.76	21.89	21.75	0.64%	3:50 p.m

Currency	Ask	MoM % Change
PKR-USD	104.94	-0.58%
PKR-EUR	144.32	0.48%
PKR-JPY	1.0257	1.52%
PKR-GBP	175.16	0.10%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1164	9.10%	5.9%
2-WEEK	0.2250	9.40%	5.8%
1-MONTH	0.4899	9.70%	6.2%
2-MONTH	1.0329	9.83%	6.1%
3-MONTH	1.5499	9.84%	6.2%
4-MONTH	2.0719	9.91%	6.3%
5-MONTH	2.6014	9.93%	6.3%
6-MONTH	3.1099	9.93%	6.3%
12-MONTH	6.2379	10.01%	6.5%

Economic Indicators			
Forex Reserves	14-Feb-14	USD bn	7.99
CPI- MoM	1-Jan-14		0.50%
CPI- YoY	1-Jan-14		7.91%
M2 Growth	FY14 YTD		5.01%
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		
	Ask	Bid
KIBOR 26 Feb 2014		
1 Month	9.95%	9.45%
3 Month	10.07%	9.82%
6 Month	10.13%	9.87%
12 Month	10.43%	9.93%
Auction 19 Feb2014		
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 26 Feb2013		
PIB Yield		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%