

FX - INTERBANK:

READY MARKET:

26-Mar	OPEN	HIGH	LOW	CLOSE	LDC
READY	98.00	98.07	97.95	97.95	98.05

Last day Close=LDC

Forecast for tomorrow:

- ✓ In the light of today's activity, tomorrow we expect the market to remain range-bound between **97.80/98.20** levels.

SWAP MARKET:

- ✓ The SWAP rates remained identical to yesterday, with faintly rose in all tenors'. Today market seen as more of a technical correction than a reversal of a market direction. As we mention yesterday the trend continue with marked difference between money market and forex rates.

MONEY MARKET:

- ✓ SBP is schedule to hold its PIB auction today. The auction target has been set at **Rs 60bn** while the maturing amount is Rs 6.5bn. Auction for the 3QFY14 total bit participated of amount **Rs 543bn** for a major skewness towards 3 years (Rs 294bn) and 5 years (Rs 130bn) tenors while 10 years bit participated amount (Rs 119bn). Similar to trend of previous auction, the trend follow-up the overbidding phenomena to continue at this auction as well. Whereas M2 growth showed an increase of **5.86%** in FY14TD to stand at Rs 9.38tn as of Mar 14'14.

COMMODITIES MARKET:

- ✓ **GOLD:** From a technical point of view, the broader directional bias remains weighted to the downside. Based on this, we prefer to remain neutral, we recommend selling the metal below US \$ **1320** targeting US \$ **1307** then the metal may revisit the US \$ **1300** support level.
- ✓ **CRUDE:** Crude is at US \$ **98.40** level forms strong support for intraday trading. We would recommend selling below US \$ **98.40** targeting US \$ **97.50** with a stop-loss above US \$ **99.20**.

26-Mar	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	99.13	99.51	99.08	99.27	99.89	-0.62%	3:55 p.m
GOLD (\$/oz)	1311.34	1316.18	1309.34	1314.7	1314.42	0.02%	3:55 p.m
SILVER (\$/oz)	19.98	20.10	19.93	20.05	20.14	-0.45%	3:55 p.m

Currency	Ask	MoM % Change
PKR-USD	97.95	-6.66%
PKR-EUR	135.15	-6.35%
PKR-JPY	0.9572	-6.68%
PKR-GBP	161.92	-7.56%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1002	9.66%	5.5%
2-WEEK	0.1900	9.88%	5.2%
1-MONTH	0.4199	9.99%	4.9%
2-MONTH	0.8922	9.99%	5.6%
3-MONTH	1.3867	9.99%	5.9%
4-MONTH	1.8708	9.99%	5.9%
5-MONTH	2.3460	9.99%	6.1%
6-MONTH	2.8633	9.99%	6.1%
12-MONTH	6.0696	9.99%	6.8%

Economic Indicators			
Forex Reserves	14-Mar-14	USD bn	9.64
CPI- MoM	1-Feb-14		0.32%
CPI- YoY	1-Feb-14		7.93%
M2 Growth	FY14 YTD		5.86%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July -Feb-14	USD bn	10.24
Current A/C Def.	July-Feb-14	USD bn	2.02
Trade -Deficit	July-Feb-14	USD Bn	12.54

Money Markets	Ask	Bid
KIBOR 26 Mar 2014		
1 Month	10.36%	9.86%
3 Month	10.12%	9.87%
6 Month	10.14%	9.89%
12 Month	10.43%	9.93%
Auction 19 Mar 2014		
T-bill Yield	Weg.Average	Cut-off
3M T-bill	9.9550%	9.9564%
6M T-bill	9.9787%	9.9791%
12M T-bill	9.9833%	9.9900%
Auctions 26 Feb2013		
PIB Yield		
3Year	12.0362%	12.0962%
5Year	12.4912%	12.5562%
10Year	12.8678%	12.9093%