

FX - INTERBANK:

READY MARKET:

3-Mar	OPEN	HIGH	LOW	CLOSE	LDC
READY	104.94	104.97	104.93	104.95/104.97	104.88

Last day Close=LDC

Forecast for tomorrow:

- ✓ We expect the market to be range bound between **104.90/105.00** for tomorrow's trading.

SWAP MARKET:

- ✓ The SWAP points remained depressed today as forecast in our yesterday report. There was however a rebound seen at the end which was more of a technical retracement. Looking at the current market standing tomorrow activity will likely show the falling trend with slightly low premiums.

MONEY MARKET:

- ✓ Today the money market remained pegged to the top level of 10.00%-10.25% for most part of the day with an intra-day high of 10.00% and remained range-bound. While Market possessed some volatility, while at the end of the day it closes at around 10.00%. Whereas today **CPI** figure for Feb-14 remain the same at **7.93%** and on MoM basis, it decreases by **0.3%** against the previous month (YTD **8.90%**).

COMMODITIES MARKET:

- ✓ **GOLD:** An upsurge in the price was witnessed due to Russia and Ukraine dispute which bolstered the demand for the metal. The prices are expected to go up further if the dispute worsens. We would suggest avoiding short selling in the near term.
- ✓ **CRUDE:** Crude prices also went up this morning because of the dispute between Russia and Ukraine. Nothing can be said about crude's next stop. We would recommend waiting until the American session begins.

3-Mar	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	102.50	104.61	102.50	103.96	102.27	1.65%	3:40 p.m
GOLD (\$/oz)	1326.18	1350.08	1325.83	1344.88	1330.56	1.08%	3:40 p.m
SILVER (\$/oz)	21.2	21.70	21.19	21.42	21.29	0.61%	3:40 p.m

*LTP= Last trade Price

Currency	Ask	MoM % Change
PKR-USD	104.94	-0.55%
PKR-EUR	144.56	-0.15%
PKR-JPY	1.0356	0.81%
PKR-GBP	175.67	0.27%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1242	9.19%	6.3%
2-WEEK	0.2350	9.40%	6.0%
1-MONTH	0.5421	9.70%	6.2%
2-MONTH	1.1149	9.83%	6.4%
3-MONTH	1.6783	9.84%	6.6%
4-MONTH	2.2184	9.91%	6.6%
5-MONTH	2.7224	9.93%	6.5%
6-MONTH	3.3216	9.93%	6.6%
12-MONTH	6.3360	10.01%	6.6%

Economic Indicators

Forex Reserves	21-Feb-14	USD bn	8.65
CPI- MoM	1-Feb-14		0.30%
CPI- YoY	1-Feb-14		7.93%
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

Markets	Ask	Bid
KIBOR 3 Mar 2014		
1 Month	10.43%	9.93%
3 Month	10.15%	9.90%
6 Month	10.17%	9.92%
12 Month	10.46%	9.96%
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	12.0362%	12.0962%
5Year	12.4912%	12.5562%
10Year	12.8678%	12.9093%