

Foreign Exchange:

READY:

8-Jan	OPEN	HIGH	LOW	CLOSE	LDC
READY	105.54	105.60	105.49	105.48/52	105.50

Last day Close=LDC

Forecast for tomorrow:

- ✓ We expect the market to be range bound between **105.45/105.60** for tomorrow's trading.

SWAP MARKET:

- ✓ The SWAP rates remained identical to yesterday, as it made slightly slide in shorter tenors but there is no apparent change of direction in the market. Due to sufficient enough money supply in the money market we likely see the low premiums for tomorrow's trading.

Money Market:

- ✓ Pertaining to investments, most of the banks have parked their investments in shorter tenors; the rising fiscal deficit has forced the government to enhance its reliance on domestic banking system. Today MTB auction bit participated of Rs 106 mn as expected mainly in 3M and 6M tenor, the money market remained pegged to the top level of 10.00%-10.25% for most part of the day with an intra-low of 9.75% and but later-on came back and remained range-bound towards the end .

Commodities:

- ✓ Yellow metal came-down after facing resistance around US \$ 1247. Expected to slide around US \$ 1200-to-\$ 1210 in this week as in small time frame technical's turn into selling side.
- ✓ Today inventory expectation might clear further direction. Crude expected to touch the support level US \$ 92.50. If crude hold this support then Black gold expected to back-up again.

8-Jan	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	93.90	94.14	93.69	93.75	93.78	-0.03%	4:10 p.m
GOLD (\$/oz)	1231.81	1232.32	1220.91	1225.63	1238.43	-1.03%	4:10 p.m
SILVER (\$/oz)	19.85	19.85	19.43	19.54	20.05	-2.54%	4:10 p.m

Currency	Ask	MoM % Change
PKR-USD	105.49	-2.49%
PKR-EUR	143.48	-3.12%
PKR-JPY	1.0047	4.65%
PKR-GBP	173.21	-2.26%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1251	10.00%	6.3%
2-WEEK	0.2200	9.99%	5.6%
1-MONTH	0.4387	9.89%	4.8%
2-MONTH	0.8190	9.84%	4.9%
3-MONTH	1.4165	9.84%	5.7%
4-MONTH	1.9156	9.89%	5.8%
5-MONTH	2.5203	9.91%	6.1%
6-MONTH	3.0100	9.93%	6.1%
12-MONTH	5.9211	10.01%	6.2%

Economic Indicators

Indicator	Date	Unit	Value
Forex Reserves	27-Dec-13	USD bn	8.52
CPI- MoM	1-Dec-13		1.32%
CPI- YoY	1-Dec-13		9.18%
M2 Growth	FY14 YTD		5.47%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July -Nov-13	USD bn	6.40

Money Markets

Markets	Ask	Bid
KIBOR 8 Jan 2014		
1 Month	10.22%	9.72%
3 Month	10.08%	9.83%
6 Month	10.14%	9.89%
12 Month	10.44%	9.94%
Auction 8 Jan 2014		
T-bill Yield	Weg.Average	Cut-off
3M T-bill	9.8984%	9.9564%
6M T-bill	9.9791%	9.9791%
12M T-bill	No-Bid.	No-Bid.
Auctions Dec 18 2013		
PIB Yield		
3Year	12.0862%	12.0998%
5Year	12.5587%	12.5589%
10Year	12.8685%	12.9492%