

FX - INTERBANK:**READY MARKET:**

14-May	OPEN	HIGH	LOW	CLOSE	LDC
READY	98.68/70	98.70	98.56	98.65/70	98.77

Last day Close=LDC

Forecast for tomorrow:

- ✓ As per today's activity, we expect the market to continue to trade within the range of **98.55/98.75**.

SWAP MARKET:

The premiums tightened across the board today, even though most of the activity was seen only up to the two week tenor. Last minute demand for the longer tenor was seen at the end of the morning session, however trading was limited and bids quickly disappeared. Expect the market to trade in the same range tomorrow, as MM is expected to stay extremely tight.

MONEY MARKET:

Today O/N money market initiated at top level of **10%-10.20%** and traded with a high level of **10.10%-10.20%** and closed at the high level of **10.00%-10.10%**.

COMMODITIES MARKET:

- ✓ **GOLD:** The metal fluctuated heavily on Monday and Tuesday but remained limited above **\$1285**. Gold trading above **\$1285** strengthens the possibility of target above **\$1300**. We suggest that gold buy at **\$1290** targeting **\$1300** and stop loss below **\$1276**.

CRUDE: The price of Crude Oil managed yesterday to touch **\$102** and stabilized at it now. If this level breaks than the next target is **\$104**. We suggest buy above **\$101.50** targeting **\$102.25** with stop loss below **\$100.70**.

14-May	OPEN	HIGH	LOW	CLOSE	LTP	% CHG	TIME
CRUDE (\$/bbl)	101.90	102.15	101.83	101.93	101.30	0.62%	3:25 p.m
GOLD (\$/oz)	1293.68	1302.25	1291.49	1302.25	1290.06	0.94%	3:25 p.m
SILVER (\$/oz)	19.51	19.82	19.488	19.75	19.41	1.75%	3:25 p.m

LTP= Last trade Price

Currency	Ask	MoM % Change
PKR-USD	98.65	2.56%
PKR-EUR	135.268	1.76%
PKR-JPY	0.9690	2.50%
PKR-GBP	165.58	2.97%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1502	10.06%	8.1%
2-WEEK	0.2550	10.05%	6.9%
1-MONTH	0.4977	10.00%	5.7%
2-MONTH	0.8824	10.00%	5.5%
3-MONTH	1.2944	10.10%	5.4%
4-MONTH	1.7014	10.16%	5.4%
5-MONTH	2.1014	10.19%	5.5%
6-MONTH	2.5452	10.19%	5.4%
12-MONTH	5.9081	10.06%	6.5%

Economic Indicators

		USD bn	
Forex Reserves	25-April-14	12.04	
CPI- MoM	1-April-14	1.70%	
CPI- YoY	1-April-14	9.18%	
M2 Growth	FY14 YTD	5.36%	
SBP Policy Rate	FY14 YTD	10.00%	
Home Remittance	July- Mar-14	11.58	USD bn
Current A/C Def.	July-Mar-14	2.17	USD bn
Trade -Deficit	July-Mar-14	13.93	USD bn

Money Markets

	Ask	Bid
KIBOR 14 May 2014		
1 Month	10.38%	9.88%
3 Month	10.17%	9.92%
6 Month	10.17%	9.92%
12 Month	10.45%	9.95%
Auction 30 April 2014 Bid/Ask		
T-bill Yield	Cut-off	14 May 2014
3M T-bill	9.9383%	9.95/90
6M T-bill	9.9675%	9.96/9.92
12M T-bill	9.9932%	9.99/9.94
Auctions 24 April 2014 14 May 2014		
PIB Yield		
3Year	12.0930%	11.87/84
5Year	12.5521 %	12.37/33
10Year	12.9016%	12.75/70