

FX - INTERBANK:**READY MARKET:**

26-May	OPEN	HIGH	LOW	CLOSE	LDC
READY	98.85/87	98.87	98.83	98.83/87	98.83

Last day Close=LDC

Forecast for tomorrow:

As per today's activity, we expect the market to continue to trade within the range of **98.70/98.90**.

MONEY MARKET:

Today O/N money market initiated at the high level of **10.00%-10.10%** and traded with a high level of **10.00%** and closed at **9.90%-10.00%**.

COMMODITIES MARKET:

GOLD: Gold continued to struggle below **\$1,300** an ounce on Monday after ending flat for two straight weeks, after better than expected data on new home sales in the U.S. added to signs of a recovery in the housing market. Gold, seen as a safe haven investment, usually benefits from geopolitical turmoil. Investors will also focus on revised data on U.S. first quarter growth due on Thursday for further indications on the strength of the economy and the need for stimulus.

CRUDE: Crude Oil prices continued to draw support from bullish supply data released earlier in the week. Revised data on U.S. first quarter growth and reports on U.S. consumer confidence will be in focus. Investors will also be watching developments tied to the weekend elections in Ukraine, amid concerns over a disruption to supplies from the region.

Crude Oil Recommendation

TECHNICAL LEVEL's	LONG@	SHORT@
ENTRY LEVEL	101.10	104.40
STOP LOSS	100.50	105.30
TAKE PROFIT	102.85	102.00

Gold Recommendation

TECHNICAL LEVEL's	LONG@	SHORT@
ENTRY LEVEL	1279.30	1295
STOP LOSS	1270.60	1306
TAKE PROFIT	1294	1273

Parity			
TENOR	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.1264	(0.0222)	6.7%
2-WEEK	0.2550	(0.0150)	6.9%
1-MONTH	0.4777	(0.0215)	5.8%
2-MONTH	0.8951	(0.0284)	5.5%
3-MONTH	1.3730	(0.0237)	5.6%
4-MONTH	1.8064	(0.0038)	5.7%
5-MONTH	2.1755	(0.0113)	5.6%
6-MONTH	2.6012	(0.0242)	5.4%
12-MONTH	5.9144	(0.1020)	6.3%

Economic Indicators			
		USD	
Forex Reserves	16-May-14	bn	13.132
CPI- MoM	1-April-14		1.70%
CPI- YoY	1-April-14		9.18%
M2 Growth	FY14 YTD		7.32%
SBP Policy Rate	FY14 YTD		10.00%
Home Remittance	July- Apr-14	USD bn	12.894
Current A/C Def.	July-Apr-14	USD bn	2.3
Trade -Deficit	July-Apr-14	USD bn	16.108

Money Markets		
	Ask	Bid
KIBOR 26 May 2014		
1 Month	10.38%	9.88%
3 Month	10.19%	9.94%
6 Month	10.18%	9.93%
12 Month	10.42%	9.92%
Auction 14 May 2014		
T-bill Yield	Cut-off	Bid/Ask
3M T-bill	9.9564%	10.08/10.00
6M T-bill	9.9791%	10.10/10.00
12M T-bill	9.9900%	10.10/10.00
Auctions 21 May 2014		
PIB Yield	21 May 2014	26 May 2014
3Year	12.0953%	12.08/06
5Year	12.5531%	12.55/50
10Year	12.9016%	12.85/80