

Foreign Exchange:

READY:

- ✓ Dollar crossed the mark of 105 against the rupee in the interbank market today. It opened the trading at 104.95/105, hit an all-time high of 104.97 and then closed at 104.92/94. It is expected that the dollar-rupee exchange rate gap is going to widen further till the upcoming monetary policy.

View at a Glance:

- ✓ As per today's activity, we expect the market to remain range bound between **104.90/105.10** for tomorrow, or if market break the level of **105.00** and resistance at the same level we might see the market at a level of **105.15**

SWAP MARKET:

- ✓ Today in the Swap market we have witnessed fresh gain in all tenor premiums, liquidity crunch remained in money market that drives the swap premiums rise a little in shorter tenor while premiums in longer tenor decline slightly as-well as it suggested the indecision between buyers and sellers.

View at a Glance:

- ✓ Looking at the current market standing the swap points slightly moves upward in all tenors. Tomorrow activity will likely show the waning trend with slightly high premiums.

Money Market:

- ✓ The market was remained range-bound. Today market opened the day at a level of 8.50% and then later-on as expected that market would pegged to the top level rose to a level of 8.90% and closed at a level of 8.75% with all eyes on the upcoming monetary policy.

T-Bills	Range %
7 Days	8.50%-8.60%
14 Days	8.50%-8.60%
28 Days	8.65%-8.75%
42 Days	8.60%-8.70%
56 Days	8.65%-8.70%
70 Days	8.80%-8.90%
6 Month	8.95%-9.05%
1 Year	9.25%-9.35%

PIBs	Range %
3 Year	11.22% - 11.25%
5 Year	11.50% - 11.60%
10 Year	11.95% - 12.05%

Currency	Ask	MoM % Change
PKR-USD	104.92	+1.96%
PKR-EUR	138.61	+2.79%
PKR-JPY	1.0559	+3.31%
PKR-GBP	163.32	+3.09%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1028	8.25%	5.3%
2-WEEK	0.2000	8.45%	5.1%
1-MONTH	0.3972	8.60%	4.8%
2-MONTH	0.9206	8.75%	5.5%
3-MONTH	1.4327	8.88%	5.7%
4-MONTH	1.9493	8.90%	5.8%
5-MONTH	2.5125	8.95%	6.1%
6-MONTH	3.0946	9.00%	6.3%
12-MONTH	6.2634	9.05%	6.6%

Economic Indicators			
Forex Reserves	23-Aug-13	USD bn	10.39
CPI- MoM	1-Aug-13		1.2%
CPI- YoY	1-Aug-13		8.55%
M2 Growth	FY13 YTD		15.93%
SBP Policy Rate	FY13 YTD		9.00%
Home Remittance	July-13	USD bn	1.404

Money Markets	Ask	Bid
KIBOR 3 Sep 2013		
1 Month	8.99%	8.49%
3 Month	9.06%	8.81%
6 Month	9.13%	8.88%
12 Month	9.54%	9.04%
Auction 21 Aug 2013		
T.Bill Yield	Average	Last Cut-off
3M T-bill	8.9583%	8.9583%
6M T-bill	8.9892%	8.9892%
12M T-bill	8.9745%	8.9808%
Auction. 17 July 2013		
PIB Yield		
3Year	10.3253%	10.4366%
5Year	10.7762%	10.9018%
10Year	11.5271%	11.6517%