

| Foreign | Exchange: |
|---------|-----------|
| READ | Y: |

✓ Dollar rebounded against the rupee in the interbank market today. It started off at 106.10/15, made a high of 106.25 and then closed at 106.17/22. Falling foreign exchange reserves mostly accounted for the rise in rupee-dollar parity. Reserves fell to \$9.923 billion in the week ending on October 3 from \$10.210 billion against the previous week.

View at a Glance:

 As per today's activity, we expect the market to anticipate at a range bound between 106.00/25 for tomorrow trading.

SWAP MARKET:

✓ Today in the swap market, continuous gains in all tenor was persisted due to illiquid money market and decline in forex reserve that drives the swap premiums rose in short tenor while premiums in longer tenor observed faintly increase as well.

View at a Glance:

 Looking at the current market standing the swap points may gain in shorter tenor while premiums in longer tenor also rise as well. Tomorrow activity will likely show the growing trend with low fluctuation persists in the market.

Money Market:

✓ The money we market today remained pegged to the top level. Today market opened at a level of 8.75%-9.25% and remained to the top level of 9.0% as of high today. Market possessed some volatility, while at the end of the day it closes at around 9.25% -9.40%.

| T-Bills | Range % |
|---------|-------------|
| 7 Days | 9.00%-9.05% |
| 14 Days | 8.85%-9.00% |
| 28 Days | 8.95%-9.00% |
| 42 Days | 9.00%-9.10% |
| 56 Days | 9.00%-9.05% |
| 70 Days | 9.25%-9.30% |
| 6 Month | 9.40%-9.50% |
| 1 Year | 9.65%-9.70% |

| PIBs | Range % | |
|---------|-----------------|--|
| 3 Year | 12.20% - 12.25% | |
| 5 Year | 12.60% - 12.65% | |
| 10 Year | 12.95%- 13.05% | |

| | | MoM % |
|----------|--------|--------------|
| Currency | Ask | Change |
| PKR-USD | 106.14 | +1.20% |
| PKR-EUR | 144.44 | +4.03% |
| PKR-JPY | 1.0919 | +3.66% |
| PKR-GBP | 171.01 | +4.36% |

| Parity | | | |
|----------|--------|-------|---------------------------|
| TENOR | SWAP | MONEY | Swap Implied PKR Yield |
| 1-WEEK | 0.1503 | 9.01% | 7.5% |
| 2-WEEK | 0.2750 | 9.05% | 6.9% |
| 1-MONTH | 0.4427 | 9.05% | 5.1% |
| 2-MONTH | 0.9423 | 9.11% | 5.5% |
| 3-MONTH | 1.4277 | 9.14% | 5.5% |
| 4-MONTH | 1.9456 | 9.19% | 5.8% |
| 5-MONTH | 2.4922 | 9.30% | 6.0% |
| 6-MONTH | 3.0576 | 9.33% | 6.1% |
| 12-MONTH | 6.2746 | 9.45% | 6.5% |

| Economic Indicators | | | |
|------------------------|--------------|-----|--------|
| | | USD | |
| Forex Reserves | 04-Oct-13 | bn | 09.92 |
| CPI- MoM | 1-Sep-13 | | -0.3% |
| CPI- YoY | 1-Sep-13 | | 7.40% |
| M2 Growth | FY13 YTD | | 15.93% |
| SBP Policy Rate | FY13 YTD | | 9.50% |
| | | USD | |
| Home Remittance | July -Aug-13 | bn | 2.637 |

| Money | | |
|------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------|
| Markets | Ask | Bid |
| | | |
| KIBOR | 4 Oct 2013 | |
| 1 Month | 9.45% | 8.95% |
| 3 Month | 9.46% | 9.21% |
| 6 Month | 9.52% | 9.27% |
| 12 Month | 10.01% | 9.51% |
| | Auction 02 Oct 2013 | |
| T.Bill Yield | Average | Last Cut-off |
| 1.Dil 11010 | iiiiuge | Last cut on |
| 3M T-bill | 9.3967% | 9.4114% |
| | | |
| 3M T-bill | 9.3967% | 9.4114% |
| 3M T-bill 6M T-bill | 9.3967% 9.4500% | 9.4114% 9.4500% |
| 3M T-bill 6M T-bill | 9.3967% 9.4500% | 9.4114% 9.4500% |
| 3M T-bill 6M T-bill 12M T-bill | 9.3967% 9.4500% 8.9745% Auction. | 9.4114% 9.4500% |
| 3M T-bill 6M T-bill 12M T-bill PIB Yield | 9.3967% 9.4500% 8.9745% Auction. 25 Sep 2013 | 9.4114% 9.4500% 8.9808% |
| 3M T-bill 6M T-bill 12M T-bill PIB Yield 3Year | 9.3967% 9.4500% 8.9745% Auction. 25 Sep 2013 11.6204% | 9.4114% 9.4500% 8.9808% 11.6916% |

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