

Foreign Exchange:

READY:

- ✓ Dollar regains its footing after a continued to fall against the rupee started the day's trading at 104.63/65. The market remained volatile during today's trading session. The high that the market touched today was at 104.87. The continuous weakening of the rupee as witnessed was mostly due to the high demand of dollars which had pushed its rates. The market made a low of 104.67 and then closed at 104.83/86.

View at a Glance:

- ✓ As per today's activity, we expect the market to remain range bound between **104.70/90** for tomorrow.

SWAP MARKET:

- ✓ Today in the Swap market we have witnessed a recent fall in all tenor premiums; due to liquidity crunch easy excess 4-day OMO mopped in money market that drives the swap premiums in all tenor slides a little as it suggested the indecision between buyers and sellers.

View at a Glance:

- ✓ Looking at the current market standing the swap points gain in shorter tenor while premiums in longer tenor also remain constant. Tomorrow activity will likely show the waning trend with slightly low premiums.

Money Market:

- ✓ The market was started at the floor level today as it opened the day at a level of 6.25% and 6.50% then remain flat throughout the day and ended a at the same level of 6.50%.

T-Bills	Range %
7 Days	8.15%-8.20%
14 Days	8.15%-8.25%
28 Days	8.40%-8.45%
42 Days	8.60%-8.65%
56 Days	8.65%-8.70%
70 Days	8.85%-8.90%
6 Month	9.05%-9.10%
1 Year	9.25%-9.30%

PIBs	Range %
3 Year	10.98% - 11.02%
5 Year	11.35% - 11.40%
10 Year	11.95%- 11.97%

Currency	Ask	MoM % Change
PKR-USD	104.83	+2.48%
PKR-EUR	138.28	+2.81%
PKR-JPY	1.0541	+3.19%
PKR-GBP	164.29	+3.29%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.0654	8.05%	3.4%
2-WEEK	0.1450	8.34%	3.8%
1-MONTH	0.3372	8.55%	4.1%
2-MONTH	0.9370	8.68%	5.3%
3-MONTH	1.3953	8.76%	5.6%
4-MONTH	1.9453	8.88%	5.9%
5-MONTH	2.4806	9.00%	6.0%
6-MONTH	3.0289	9.00%	6.2%
12-MONTH	6.2536	9.05%	6.6%

Economic Indicators			
Forex Reserves	30-Aug-13	USD bn	9.99
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	Aug-13	USD bn	1.404

Money Markets	Ask	Bid
KIBOR 9 Sep 2013		
1 Month	8.50%	8.00%
3 Month	8.89%	8.64%
6 Month	9.02%	8.77%
12 Month	9.46%	8.96%
Auction 4 Sep 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%