

**Foreign Exchange:**

**READY:**

- ✓ Dollar rebounded quite sharply versus the rupee in the interbank market. It began trading at 104.88/93, rose to an all-time high of **105.16** and then closed at 104.95/99. Dollar rose against Asia's major currencies as Syria tension eased. This had a slight impact on the exchange rate of dollar versus the rupee which appreciated as witnessed today.

**View at a Glance:**

- ✓ As per today's activity, we expect the market to remain range bound between **104.95/105.20** for tomorrow.

**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 raise a little in shorter tenor while premiums in longer tenor slightly rose as-well as it suggested the indecision between buyers and sellers due to today's SBP MPS stance.

**View at a Glance:**

- ✓ Looking at the current market standing the swap points gain in shorter tenor while premiums in longer tenor also rose as well. Tomorrow activity will likely show the growing trend with slightly high premiums.

**Money Market:**

- ✓ The market opened at 7.25%-8.00% and then OMO participation of Rs 310 bn with a cut-off rate of 8.20%, and then later-on market rose to a level of 8.25% and then remains constant. In general, the market remained lifeless with thin volumes, with all eyes on the today monetary policy.

T-Bills	Range %
7 Days	7.25%-7.50%
14 Days	8.00%-8.10%
28 Days	8.10%-8.30%
42 Days	8.40%-8.50%
56 Days	8.65%-8.70%
70 Days	8.70%-8.75%
6 Month	8.90%-8.95%
1 Year	9.10%-9.20%

PIBs	Range %
3 Year	10.90% - 10.95%
5 Year	11.32% - 11.37%
10 Year	11.88%- 11.92%

Currency	Ask	MoM % Change
PKR-USD	104.95	+2.18%
PKR-EUR	139.37	+2.11%
PKR-JPY	1.0555	-0.49%
PKR-GBP	165.87	+4.39%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.0973	7.75%	5.0%
2-WEEK	0.1900	7.90%	4.9%
1-MONTH	0.4007	8.14%	4.5%
2-MONTH	0.9462	8.44%	5.6%
3-MONTH	1.4644	8.70%	5.9%
4-MONTH	1.9704	8.80%	5.9%
5-MONTH	2.5501	9.00%	6.2%
6-MONTH	3.1005	9.00%	6.3%
12-MONTH	6.3088	9.06%	6.7%

Economic Indicators			
Forex Reserves	12-Sep-13	USD bn	10.37
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 -Aug-13	USD bn	2.637

Money Markets	Ask	Bid
<b>KIBOR 13 Sep 2013</b>		
1 Month	8.62%	8.12%
3 Month	8.95%	8.70%
6 Month	9.03%	8.78%
12 Month	9.44%	8.94%
<b>Auction 4 Sep 2013</b>		
<b>T.Bill Yield</b>	<b>Average</b>	<b>Last Cut-off</b>
3M T-bill	8.9583%	8.9583%
6M T-bill	8.9892%	8.9892%
12M T-bill	8.9745%	8.9808%
<b>Auction. 17 July 2013</b>		
<b>PIB Yield</b>		
3Year	10.3253%	10.4366%
5Year	10.7762%	10.9018 %
10Year	11.5271%	11.6517%