

**Foreign Exchange:**

**READY:**

- ✓ Dollar continued to rise against the rupee in the local currency market. It began the day's trading at 105.12/16, made a record high of 105.27 and then closed at 10.25/28. Rupee is estimated to have depreciated by 5.5% since the financial year 2012-13. It is also expected that the rupee devaluation might continue in the upcoming days.

**View at a Glance:**

- ✓ As per today's activity, we expect the market to remain range bound between **105.10/105.30** for tomorrow.

**SWAP MARKET:**

- ✓ Today in the Swap market we have witnessed recent fall in shorter tenor premiums, liquidity crunch remained in money market that drives the swap premiums raise a considerably in longer tenor while premiums in as-well.

**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:**

- ✓ Today market opened the day with an OMO where no bids were accepted. The market started at a floor level of 7.25% and 7.50% and then later-on as expected market had pegged to the top level rose to a level of 8.0% and then came-back to a floor level again at 7.50%-7.75% at the close of the market.

T-Bills	Range %
7 Days	8.40%-8.50%
14 Days	8.50%-8.60%
28 Days	8.90%-9.00%
42 Days	8.80%-8.90%
56 Days	9.00%-9.10%
70 Days	9.15%-9.20%
6 Month	9.30%-9.35%
1 Year	9.40%-9.47%

PIBs	Range %
3 Year	11.15% - 11.20%
5 Year	11.60% - 11.65%
10 Year	12.30%- 12.35%

Currency	Ask	MoM % Change
PKR-USD	105.25	+2.30%
PKR-EUR	140.63	+2.79%
PKR-JPY	1.0614	1.55%
PKR-GBP	167.25	+4.61%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1079	8.54%	5.5%
2-WEEK	0.2000	8.69%	5.1%
1-MONTH	0.4450	8.75%	5.3%
2-MONTH	1.0640	8.85%	6.2%
3-MONTH	1.5722	8.95%	6.2%
4-MONTH	2.0869	9.11%	6.2%
5-MONTH	2.6736	9.15%	6.4%
6-MONTH	3.2417	9.20%	6.6%
12-MONTH	6.5470	9.26%	6.9%

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		9.50%
Home Remittance	July -Aug-13	USD bn	2.637

Money Markets	Ask	Bid
<b>KIBOR 17 Sep 2013</b>		
1 Month	9.14%	8.64%
3 Month	9.06%	9.31%
6 Month	9.18%	9.43%
12 Month	9.31%	9.81%
<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%