

Foreign Exchange:

READY:

- ✓ Rupee continued to erode in value as dollar posted growth against the local currency. Greenback started the day's trading at 106.45/48, gained a few paisa's and then closed at 106.48/50. The spike in rates witnessed was largely due to the widening of current account gap. Current account deficit for the first quarter increased sharply to over \$1.2 billion. This amount surpassed the IMF target set for the first quarter which left a negative impact on the exchange rate regime.

View at a Glance:

- ✓ As per today's activity, we expect the market to anticipate at a range bound between **106.40/106.55** for tomorrow trading.

SWAP MARKET:

- ✓ Today in the Swap market, we have witnessed a recent fall in all tenors' premiums and remain range-bound whereas in shorter tenors market also felt some lower premiums which narrate sufficient enough money supply in the money market.

View at a Glance:

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

Money Market:

- ✓ The market was witnessed high volatility today after PIB all bids rejected as it opened the day at a level of 9.10% and then later-on comedown drastically near the level at 6.50% and closed at 6.50% with persist follow-up its trend in the market.

T-Bills	Range %
7 Days	9.35%-9.45%
14 Days	9.20%-9.25%
28 Days	9.15%-9.20%
42 Days	9.30%-9.35%
56 Days	9.30%-9.35%
70 Days	9.35%-9.40%
6 Month	9.50%-9.60%
1 Year	9.80%-10.00%

PIBs	Range %
3 Year	11.90% - 11.95%
5 Year	12.45% - 12.50%
10 Year	12.90%- 12.95%

Currency	Ask	MoM % Change
PKR-USD	106.49	-0.33%
PKR-EUR	146.82	+2.61%
PKR-JPY	1.0929	+2.95%
PKR-GBP	172.20	+1.59%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.1298	9.33%	6.5%
2-WEEK	0.2100	9.28%	5.3%
1-MONTH	0.4117	9.23%	4.6%
2-MONTH	0.8031	9.25%	4.7%
3-MONTH	1.2043	9.29%	4.7%
4-MONTH	1.6707	9.31%	5.0%
5-MONTH	2.1709	9.45%	5.3%
6-MONTH	2.7146	9.55%	5.5%
12-MONTH	5.7755	9.70%	6.0%

Economic Indicators

Indicator	Date	Unit	Value
Forex Reserves	11-Oct-13	USD bn	09.20
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%
Home Remittance	July -Aug-13	USD bn	2.637

Money Markets

Market	Ask	Bid
KIBOR 24 Oct 2013		
1 Month	9.48%	8.98%
3 Month	9.51%	9.26%
6 Month	9.57%	9.32%
12 Month	10.04%	9.54%
Auction 14 Oct 2013		
T.Bill Yield	Average	Last Cut-off
3M T-bill	9.3967%	9.4114%
6M T-bill	9.4500%	9.4500%
12M T-bill	8.9745%	8.9808%
PIB Yield Auction 23 Oct 2013		
3Year	11.6204%	11.6916%
5Year	12.0913%	12.1511%
10Year	12.5105%	12.5995%