

**Foreign Exchange:**

**READY:**

- ✓ Dollar continued bashing the rupee as it crossed the level of 106 for the second time in the interbank market. Greenback started the day's trading at 105.88/95, plunged by 32 paisa's and then closed at **106.20/30**. The highest rate at which it traded was at 106.25. The continuous depreciation of the rupee was mostly due to drying foreign exchange reserves which stood at \$10.3 billion. To tackle this situation, government has planned to borrow \$625 million from seven domestic and international banks to boost the foreign exchange reserves which might stop rupee from devaluing further.

**View at a Glance:**

- ✓ As per today's activity, we expect the market to anticipate at a range bound between **106.10/106.60** for tomorrow trading.

**SWAP MARKET:**

- ✓ Today swap market remained range-bound after yesterday slides in all tenor was witnessed and follow up its yesterday tend as market drives the swap premiums slides in shorter tenor while premiums in longer tenor also fell slightly as it suggested the indecision between buyers and sellers.

**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 high fluctuation persists in the market.

**Money Market:**

- ✓ The market was range-bound due to Moped-up of Rs 31.5bn accepted yesterday with a cut-off 8.50% Today it opened the market at a level of 8.00% and remained to the top level of 8.50% as of high today after eventually came down near the floor level and traded in the range of 6.50- 7.00% and closes at 7.50%.

T-Bills	Range %
7 Days	8.60%-8.70%
14 Days	8.75%-8.85%
28 Days	8.90%-9.00%
42 Days	9.05%-9.10%
56 Days	9.10%-9.15%
70 Days	9.20%-9.25%
6 Month	9.28%-9.32%
1 Year	9.50%-9.55%

PIBs	Range %
3 Year	11.40% - 11.45%
5 Year	11.90% - 12.00%
10 Year	12.45%- 12.50%

Currency	Ask	MoM % Change
PKR-USD	106.22	+2.49%
PKR-EUR	143.20	+3.38%
PKR-JPY	1.0740	2.52%
PKR-GBP	169.80	+4.92%

Parity			
TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.0312	8.06%	1.7%
2-WEEK	0.1200	8.63%	3.1%
1-MONTH	0.3052	8.86%	3.7%
2-MONTH	0.8645	9.14%	5.0%
3-MONTH	1.4041	9.14%	5.6%
4-MONTH	1.9638	9.19%	5.8%
5-MONTH	2.5314	9.30%	6.1%
6-MONTH	3.0828	9.33%	6.2%
12-MONTH	6.4213	9.45%	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		9.50%
Home Remittance	July -Aug-13	USD bn	2.637

Money Markets	Ask	Bid
<b>KIBOR 24 Sep 2013</b>		
1 Month	9.22%	8.72%
3 Month	9.11%	9.36%
6 Month	9.21%	9.46%
12 Month	9.48%	9.98%
<b>Auction 18 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>PIB Yield Auction. 17 July 2013</b>		
3Year	10.3253%	10.4366%
5Year	10.7762%	10.9018 %
10Year	11.5271%	11.6517%