

Foreign Exchange:

READY:

- ✓ Dollar continued to thrash the rupee as it traded sky high and breached the level of 107 in the interbank market for the first time. It began the day's trading at 106.35/45, made an all-time high of 107.05 and then closed at 106.90/107. Despite the arrival of the first installment of \$540 million from the IMF, rupee still continued to depreciate. Also, another SBA installment to the IMF is scheduled for September 27, 2013 amounting \$143 million which is going to keep rupee under pressure until then.

View at a Glance:

- ✓ Keeping in mind the volatility that prevailed in the market today, it is difficult to determine how the market will perform tomorrow. It can be said that the first resistance level would be at 107.90. If the market breaks this level the dollar might cross 108. On the bottom side of the market first, second and third support levels are expected to be at 107.20, 107 and 106.80 respectively.

SWAP MARKET:

- ✓ Due to the liquidity crisis in the money market a slide in all tenors was witnessed and follow up its yesterday trend 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:

- ✓ Today it opened the market at a level of 8.00%-8.50% and remained to the top level of 9.00% as of high today after eventually came down near the floor level and closed at 7.00%.

Currency	Ask	MoM % Change
PKR-USD	106.90	+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	0.0063	8.13%	0.4%
2-WEEK	0.0250	8.54%	0.8%
1-MONTH	0.2055	8.86%	2.5%
2-MONTH	0.7232	9.14%	4.1%
3-MONTH	1.2165	9.14%	4.8%
4-MONTH	1.7626	9.19%	5.3%
5-MONTH	2.3160	9.30%	5.5%
6-MONTH	2.9041	9.33%	5.8%
12-MONTH	6.1382	9.45%	6.4%

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
KIBOR 24 Sep 2013		
1 Month	9.22%	8.72%
3 Month	9.11%	9.36%
6 Month	9.21%	9.46%
12 Month	9.48%	9.98%
Auction 18 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%

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%

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