

Foreign Exchange:

READY:

- ✓ Dollar sets in new records against the rupee as it breached the level of **104** in the interbank market. It started the day's trading at 103.88/95; gained 12 paisa's and then closed at 104.00. The high that the market touched today was at 104. The rupee continued to depreciate against the greenback. It is also expected that it may further devalue since IMF believes that the local currency is still overvalued against the dollar.

View at a Glance:

- ✓ As per today's activity, we expect the market to remain range bound between **103.85/98** for tomorrow, or if market breaks the level of **104.00** and resistance at the same level we might see the market at a level of **104.10/20**.

SWAP MARKET:

- ✓ Today in the Swap market we have witnessed a recent fall in all tenors' premiums and remain range-bound whereas in longer tenor market also felt some lower premiums which observed the same pattern as it was close to yesterday level that suggested the indecision between buyers and sellers.

View at a Glance:

- ✓ Looking at the current market standing the swap points slightly moves upward in all tenors. Tomorrow activity will likely show the waning trend with slightly high premiums, but in the later hours we can see some sell/buy pressure in the market due to tight money-market position .

Money Market:

- ✓ The market was remained range-bound due to PIB auction. Market opened the day at a level of 8.25% and then later-on rose to a level of 8.50% and closed at the same band at 8.50% with persist follow-up its trend in the market.

T-Bills	Range %
7 Days	8.50%-8.60%
14 Days	8.50%-8.60%
28 Days	8.65%-8.75%
42 Days	8.60%-8.70%
56 Days	8.65%-8.70%
70 Days	8.80%-8.90%
6 Month	8.95%-9.05%

PIBs	Range %
3 Year	11.22% - 11.25%
5 Year	11.50% - 11.60%
10 Year	11.95% - 12.05%

Currency	Ask	MoM % Change
PKR-USD	103.98	+1.96%
PKR-EUR	139.05	+2.79%
PKR-JPY	1.0673	+3.31%
PKR-GBP	161.07	+3.09%

Parity

TENOR	SWAP	MONEY	Swap Implied PKR Yield
1-WEEK	0.0114	8.50%	0.7%
2-WEEK	0.0691	8.56%	1.9%
1-MONTH	0.2489	8.76%	2.8%
2-MONTH	0.7854	8.80%	4.7%
3-MONTH	1.3459	8.88%	5.3%
4-MONTH	1.8709	8.85%	5.6%
5-MONTH	2.4430	8.90%	6.0%
6-MONTH	3.0152	8.95%	6.1%
12-MONTH	6.4882	9.05%	6.9%

Economic Indicators

Indicator	Date	Unit	Value
Forex Reserves	16-Aug-13	USD bn	10.39
CPI- MoM	1-July-13		2.0%
CPI- YoY	1-July-13		8.3%
M2 Growth	FY13 YTD		15.93%
SBP Policy Rate	FY13 YTD		9.00%
Home Remittance	July-13	USD bn	1.404

Money Markets

Market	Ask	Bid
KIBOR 28 Aug 2013		
1 Month	8.98%	8.48%
3 Month	9.07%	8.82%
6 Month	9.15%	8.90%
12 Month	9.52%	9.02%
Auction 21 Aug 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%
PIB Yield Auction. 17 July 2013		
3Year	10.3253%	10.4366%
5Year	10.7762%	10.9018%
10Year	11.5271%	11.6517%