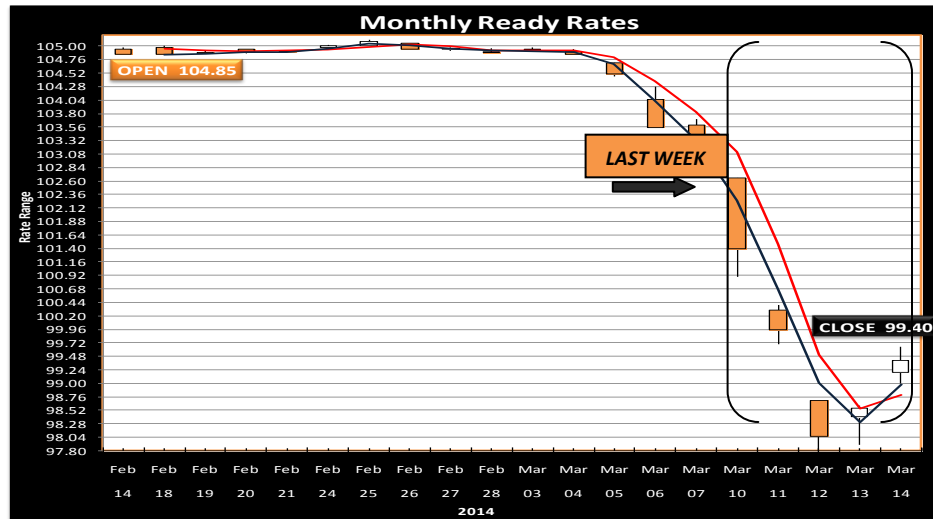




Market Recap: Currency Analysis:



Technical Snapshot:

The rupee ended the last week on a very strapping position against the US dollar and traded on a stronger note last week due to the positive impact of the huge foreign inflows on to the country foreign reserves. The greenback drifted lower for the second consecutive week after breaching below (97.70) versus USD, the downward sloping trend-line shown on the chart. Dollar shed strength against the rupee where it ended at a level of (99.40). The USD/PKR shed a massive 5.23% over the prior week closing. It is very clear from the aforementioned analysis that the PKR could witness stiff resistance near the 98.00- 99.50 levels in the short term.

RATES	MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
READY	MAR	3/7/2014	Friday	103.6000	103.7000	102.9000	103.1000
READY	MAR	3/10/2014	Monday	102.6500	102.6500	100.9000	101.4000
READY	MAR	3/11/2014	Tuesday	100.3000	100.4000	99.7000	99.9500
READY	MAR	3/12/2014	Wednesday	98.7000	98.7000	97.7000	98.0500
READY	MAR	3/13/2014	Thursday	98.4000	98.6000	97.9000	98.5500
READY	MAR	3/14/2014	Friday	99.2000	99.6500	99.0000	99.4000

Swap Analysis

Date		1-Week	2-Week	1-Month	2-Month	3-Month	4-Month	5-Month	6-Month	12-Month
7-Mar-14	SWAPS	0.1477	0.2850	0.5902	1.1511	1.7621	2.2697	2.7834	3.3535	6.4334
	SIMY	7.60%	7.40%	6.70%	6.90%	7.00%	6.80%	6.80%	6.70%	6.80%
10-Mar-14	SWAPS	0.1270	0.2250	0.5431	1.1055	1.6508	2.1828	2.7051	3.2641	6.3778
	SIMY	6.60%	6.00%	6.30%	6.70%	6.70%	6.70%	6.70%	6.60%	6.80%
11-Mar-14	SWAPS	0.1271	0.2150	0.5361	1.0913	1.6150	2.1278	2.6170	3.1837	6.3520
	SIMY	6.70%	5.80%	6.50%	6.60%	6.60%	6.70%	6.60%	6.70%	6.90%
12-Mar-14	SWAPS	0.0827	0.1850	0.4566	0.9563	1.4458	1.9287	2.4066	2.9419	6.1723
	SIMY	4.50%	5.10%	5.30%	6.00%	6.10%	6.10%	6.20%	6.30%	6.80%
13-Mar-14	SWAPS	0.1235	0.2250	0.5148	1.0173	1.5240	2.0149	2.4712	3.0457	6.2294
	SIMY	6.70%	6.10%	6.10%	6.40%	6.40%	6.40%	6.40%	6.40%	6.90%
14-Mar-14	SWAPS	0.0909	0.1900	0.4792	0.9807	1.4992	1.9816	2.4347	2.9642	6.1935
	SIMY	4.90%	5.20%	5.80%	6.10%	6.10%	6.30%	6.20%	6.20%	6.80%

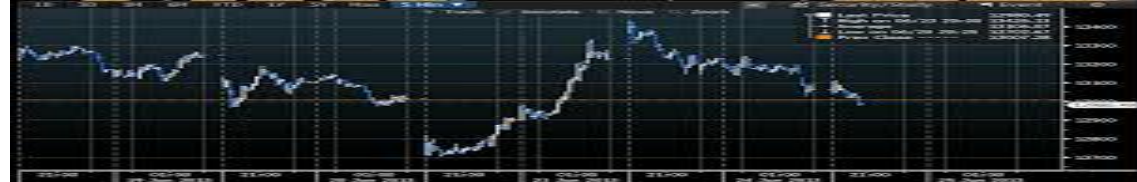
Technical Snapshot:

* SIMY= SWAP Implied Yield

Technically SWAP market persisted with a bumpy ride in all tenors amid the rise in country Foreign reserve position up-to US \$9.37bn at the end of 7 Mar, 2014 and moving towards the target level as Financial Minister said that country's reserves would touch US \$10bn level by end of March 2014. The downward sloping trend-line on the monthly charts continues to bode well for the rupee. Though it traded sideways for most part of the week, there was however a rebound seen at the end. Considering the aforementioned we could expect this trend to be continued for the coming week also.

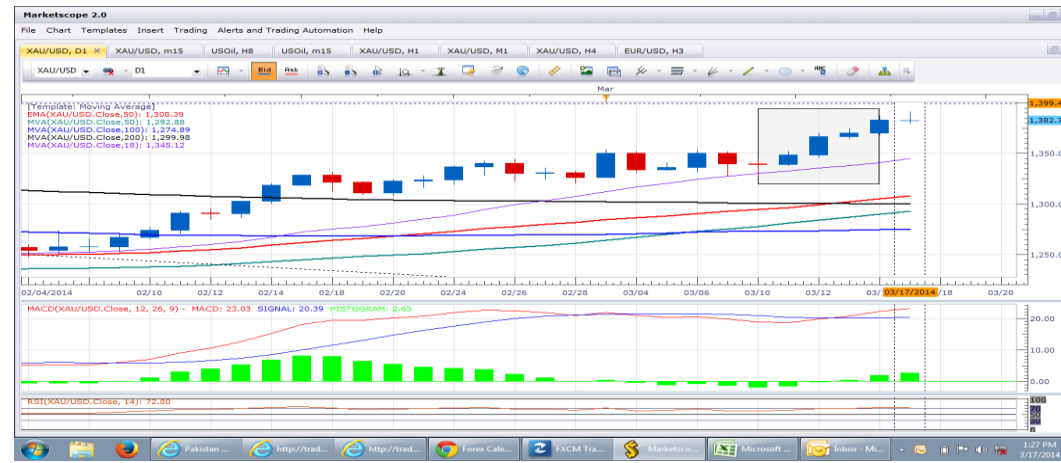
Money Market:

Last week, In-line with our expectations as we forecasted our special report, DR remain the same as SBP kept the DR unchanged at 10% in its monetary policy statement (MPS) released on Saturday. Subsequently all trading in the bond market ranging from 3, 5 and 10 year tenor was traded at 11.15-25%, 11.80-90% and 12.25-35% respectively. The market remained highly volatile, before monetary policy announcement.



Commodity Snapshot:

GOLD:



OIL:



Technical Snapshot:

Gold: Gold rises to highest since September. Gold was trading near its highest level in over six months on Monday on weaker equities and as Crimea voted to join Russia, heightening tensions between Moscow and the West.

Last week yellow metal was facing resistance around US \$ 1375 which is a critical barrier that might block the bulls' advance. If the bears take the reins and defend the US \$ 1375 level, mounting tensions between Russia and the West spurred safe-haven demand for the metal.

CRUDE: In the short run, oil prices may remain weak but for the Ukraine crisis which could keep the market supported on supply fears. Crude is retesting the US \$ 98.40 level. The downside move remains favored for today with the next level being targeted at 96.80, while noting that a breach of US \$ 98.40 will push it towards 100 before returning lower.

GOLD (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	3/7/2014	Friday	1350.39	1352.06	1346.23	1348.19
FEB	3/10/2014	Monday	1339.37	1341.00	1327.00	1336.00
FEB	3/11/2014	Tuesday	1347.57	1349.86	1347.00	1349.18
FEB	3/12/2014	Wednesday	1348.66	1363.34	1345.33	1355.74
FEB	3/13/2014	Thursday	1366.87	1374.91	1364.88	1370.81
FEB	3/14/2014	Friday	1369.97	1376.39	1367.75	1369.35

SILVER (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	3/7/2014	Friday	21.45	21.57	21.27	21.31
FEB	3/10/2014	Monday	20.87	20.98	20.59	20.98
FEB	3/11/2014	Tuesday	20.99	21.09	20.99	21.08
FEB	3/12/2014	Wednesday	20.82	21.18	20.79	20.87
FEB	3/13/2014	Thursday	21.30	21.45	21.24	21.40
FEB	3/14/2014	Friday	21.15	21.31	21.11	21.24

CRUDE (\$/bbl)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	3/7/2014	Friday	101.93	102.00	101.60	101.79
FEB	3/10/2014	Monday	102.64	102.67	101.03	101.37
FEB	3/11/2014	Tuesday	101.40	101.49	101.35	101.38
FEB	3/12/2014	Wednesday	99.390	99.580	98.500	98.740
FEB	3/13/2014	Thursday	98.110	98.410	97.780	98.310
FEB	3/14/2014	Friday	98.200	98.360	98.030	98.240

Analyst Certification:

The following analyst economist(s), who is(are) primarily responsible for this report, certifies(y) that the opinion(s) on the subject security(ies) or issuer(s) and/or any other views or forecasts expressed herein accurately reflect their personal view(s) and that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report:

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