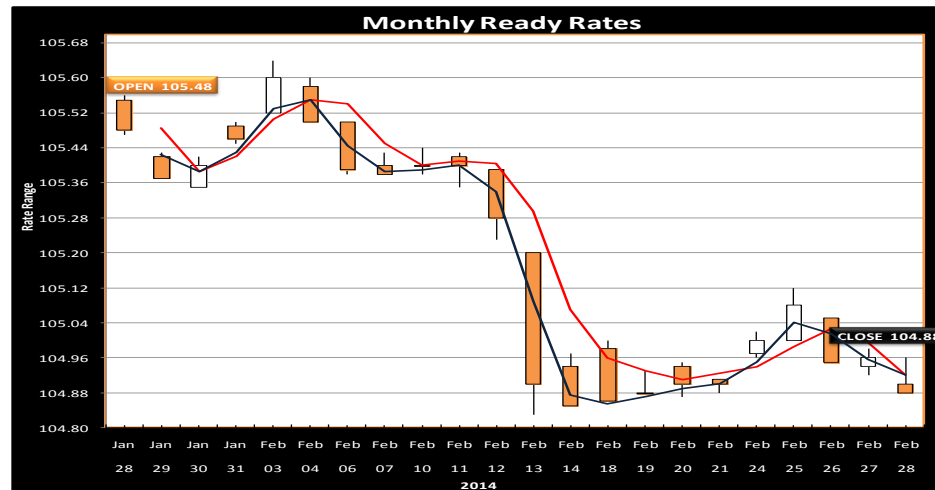


Market Recap: Currency Analysis:



Technical Snapshot:

Last week initially strong demand for USD forced the rupee to travel into downbeat horizon which gone towards the weak spells at the start of the week and witnessed a sharp bounce to test a high of **(105.12)** level, but later-on Pak rupee managed to recover despite the sharp spell of the initial and continue to showed stabilized appearance in the market at the close of the month at **(104.88)** level. The intraday chart perspective the greenback is in a continuous downtrend and we expect PKR to trade on a positive note on the back of upcoming foreign fund inflows acted as a desirable factor for the currency. However, for the next week, a short trend reversal may could be seen only on a sustained trade above the **(104.85)** level.

RATES	MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
READY	FEB	2/21/2014	Friday	104.9100	104.9100	104.8800	104.9000
READY	FEB	2/24/2014	Monday	104.9700	105.0200	104.9600	105.0000
READY	FEB	2/25/2014	Tuesday	105.0000	105.1200	105.0000	105.0800
READY	FEB	2/26/2014	Wednesday	105.0500	105.0500	104.9500	104.9500
READY	FEB	2/27/2014	Thursday	104.9400	104.9800	104.9200	104.9600
READY	FEB	2/28/2014	Friday	104.9000	104.9600	104.8800	104.8800

Swap Analysis

Date		1-Week	2-Week	1-Month	2-Month	3-Month	4-Month	5-Month	6-Month	12-Month
21-Feb-14	SWAPS	0.1554	0.2950	0.5777	1.1574	1.7061	2.2915	2.7738	3.2948	6.4451
	SIMY	8.70%	8.00%	7.80%	7.30%	7.10%	6.90%	6.90%	6.80%	6.70%
24-Feb-14	SWAPS	0.1518	0.2850	0.5897	1.1627	1.7305	2.2804	2.7662	3.2857	6.4242
	SIMY	7.7%	7.30%	7.50%	7.10%	6.80%	6.90%	6.80%	6.60%	6.70%
25-Feb-14	SWAPS	0.1260	0.2500	0.5473	1.0916	1.6512	2.1757	2.6803	3.2055	6.3620
	SIMY	6.40%	6.40%	6.90%	6.60%	6.50%	6.60%	6.60%	6.50%	6.60%
26-Feb-14	SWAPS	0.1164	0.2250	0.4899	1.0329	1.5499	2.0719	2.6014	3.1099	6.2379
	SIMY	5.90%	5.80%	6.20%	6.10%	6.20%	6.30%	6.30%	6.30%	6.50%
27-Feb-14	SWAPS	0.1239	0.2550	0.5152	1.0794	1.6390	2.1737	2.6840	3.2200	6.3461
	SIMY	6.30%	6.50%	6.60%	6.50%	6.60%	6.60%	6.50%	6.50%	6.60%
28-Feb-14	SWAPS	0.1681	0.3150	0.6396	1.2175	1.7495	2.2685	2.7883	3.3402	6.4708
	SIMY	8.50%	8.00%	7.30%	7.10%	6.90%	6.80%	6.70%	6.70%	6.70%

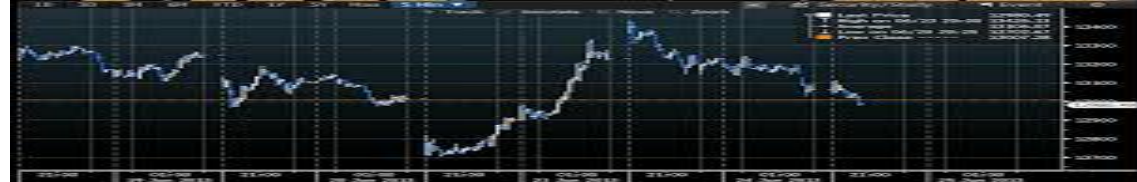
Technical Snapshot:

* SIMY= SWAP Implied Yield

Technically SWAP market witnessed a bumpy ride in all tenor amid the gain in country Net Foreign reserve (NFA) position up-to US **\$8.65bn** at the end of 21 Feb, 2014. But we can see pressure continue due to unsustainable fiscal and balance of payments positions. 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 continue as for the coming week.

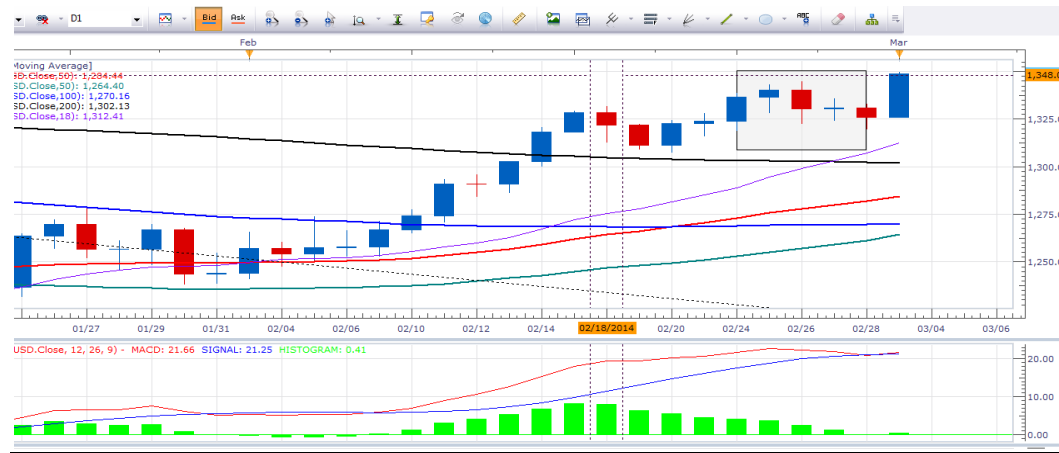
Money Market:

Last week, Govt. raised Rs **247** billion, through PIB auction compared to a target of Rs 60bn. This follows the massive auction conducted in Jan-14, in which Rs 197bn were raised; cumulatively, Rs 444bn in the last 2-months. Cut-offs was almost unchanged, with the 3, 5, and 10 year cut-off at **12.09%**, **12.55%**, and **12.89%** respectively whereas, last Friday earlier as expected the SBP injected an OMO for 66 days (outright) at a rate of **10.65%** with amount accepted Rs **289** billion out of Rs **381** billion.



Commodity Snapshot:

GOLD:



OIL:



Technical Snapshot:

Gold: Gold registered a loss of around 0.2% for the week, the first weekly loss in four weeks.

Yellow metal touched a weekly high of US \$ **1345.35** and closed at US \$ **1325.79** in the last trading

If prices break and manage to hold above this resistance, we could see the pair extending its gains and climbing towards the US \$ **1346** level. To the down side, we might see some support around the US \$ **1323 - \$ 1320** level.

Crude oil: Sharp upside in the prices was prevented due to expectations that tight lending in China may hamper the economic growth in world's second largest economy thereby affecting the demand for the black-Gold. We would suggest buying the contract above the US \$ **104** mark. Then the market might target the \$ **110** level given enough time but that obviously won't happen overnight.

GOLD (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	2/21/2014	Friday	1322.64	1322.79	1315.92	1320.54
FEB	2/24/2014	Monday	1323.08	1334.42	1318.66	1333.3
FEB	2/25/2014	Tuesday	1336.62	1338.00	1332.24	1332.95
FEB	2/26/2014	Wednesday	1340.25	1345.28	1337.52	1340.14
FEB	2/27/2014	Thursday	1330.7	1333.17	1323.72	1332.81
FEB	2/28/2014	Friday	1331.1	1333.26	1325.7	1330.56

SILVER (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	2/21/2014	Friday	21.8	21.81	21.56	21.75
FEB	2/24/2014	Monday	21.81	21.90	21.49	21.88
FEB	2/25/2014	Tuesday	21.95	22.00	21.68	21.75
FEB	2/26/2014	Wednesday	21.84	22.02	21.76	21.89
FEB	2/27/2014	Thursday	21.27	21.40	20.98	21.39
FEB	2/28/2014	Friday	21.25	21.33	21.12	21.29

CRUDE (\$/bbl)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
FEB	2/21/2014	Friday	102.84	102.89	102.49	102.50
FEB	2/24/2014	Monday	102.23	102.66	102.01	102.08
FEB	2/25/2014	Tuesday	102.81	102.83	102.00	102.04
FEB	2/26/2014	Wednesday	102.03	102.24	101.55	102.06
FEB	2/27/2014	Thursday	102.53	102.61	102.16	102.51
FEB	2/28/2014	Friday	102.04	102.36	101.84	102.27

Analyst Certification:

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