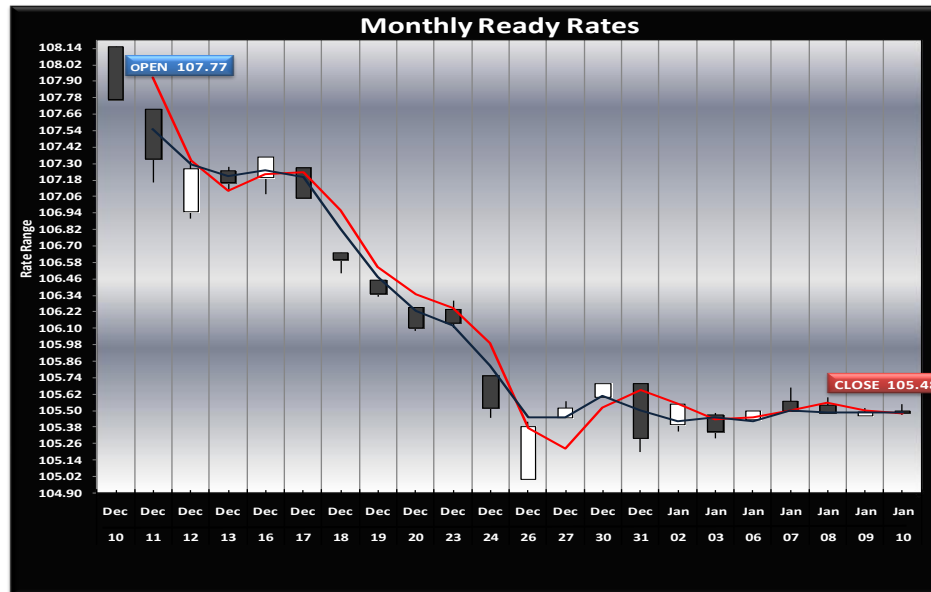


Market Recap: Currency Analysis:



Technical Snapshot:

The Pak rupee ended the week lower at the **(105.48)** level over the prior week closing. Earlier it tested a high of **(105.67)** but then drifted gradually lower to test **(105.47)** on the last day of the week. The weekly candlestick pattern depicts a tweezer bearish marubozu bottom formation suggesting that the PKR may drift further lower on the intraday chart in the coming day's. However the doji candle on **(Jan 7, 2014)** indicates a strong support at these levels and a strong rise confirms the same as well.

RATES	MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
READY	JAN	1/3/2014	Friday	105.4700	105.4800	105.3000	105.3500
READY	JAN	1/6/2014	Monday	105.4300	105.5000	105.4400	105.5000
READY	JAN	1/7/2014	Tuesday	105.5700	105.6700	105.5500	105.5000
READY	JAN	1/8/2014	Wednesday	105.5400	105.6000	105.4900	105.4800
READY	JAN	1/9/2014	Thursday	105.4600	105.5200	105.4700	105.4900
READY	JAN	1/10/2014	Friday	105.5000	105.5500	105.4700	105.4800

Swap Analysis

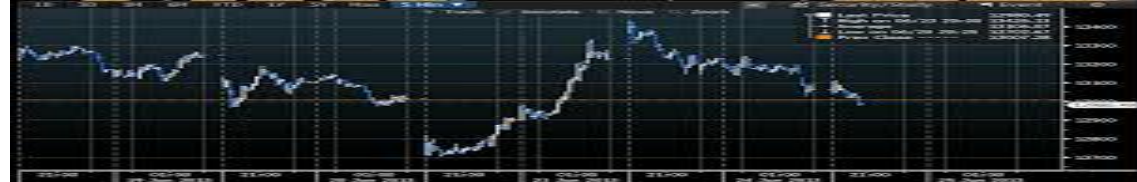
Date		1-Week	2-Week	1-Month	2-Month	3-Month	4-Month	5-Month	6-Month	12-Month
6-Jan-14	MONEY	9.55%	9.69%	9.78%	9.79%	9.84%	9.89%	9.91%	9.93%	10.01%
	SIMY	7.1%	5.7%	4.8%	4.7%	5.2%	5.7%	6.0%	5.9%	5.8%
7-Jan-14	MONEY	9.84%	9.80%	9.80%	9.79%	9.84%	9.89%	9.91%	9.93%	10.01%
	SIMY	8.0%	6.3%	5.1%	4.9%	5.6%	5.9%	6.1%	6.1%	5.9%
8-Jan-14	MONEY	10.00%	9.99%	9.89%	9.84%	9.84%	9.89%	9.91%	9.93%	10.01%
	SIMY	6.3%	5.6%	4.8%	4.9%	5.7%	5.8%	6.1%	6.1%	6.2%
9-Jan-14	MONEY	9.98%	9.99%	9.89%	9.84%	9.84%	9.89%	9.91%	9.93%	10.01%
	SIMY	6.4%	5.7%	4.8%	4.8%	5.6%	6.0%	6.1%	6.1%	6.2%
10-Jan-14	MONEY	9.81%	9.76%	9.88%	9.86%	9.85%	9.89%	9.91%	9.93%	10.01%
	SIMY	7.3%	6.0%	5.1%	5.2%	5.9%	6.1%	6.3%	6.3%	6.5%

Technical Snapshot:

Technically swap market witnessed a persisted gain in all tenors amid a fresh USD demand in the market in coming weeks; we might see the waning rupee (PKR) is expected due to pressure against the USD heavy debt repayment and a recent dip in country's foreign exchange reserves position came down to US \$ 8.04 billion at the end of 3 Jan, 2014. Looking at the current market standing we might observe the follow-up trend with slightly high premiums in the coming week.

Money Market:

Pertaining to investments, most of the banks have parked their investments in shorter tenors; market participants become cautious ahead of MPS expectation that the CPI single-digit inflation will allowing central bank (SBP) to keep the discount-rate remain unchanged at 10% in its upcoming MPS Jan-14. Adding last week MTB-auction with the majority of bids received in the 3M tenor; as (SBP) accepted an amount of PKR 85.6 billion (face value) With cut-off yields remaining stagnant. Yields for 3M and 6M at 9.9564% and 9.979% respectively while yields for 12M tenor stood at 9.9900%



Commodity Snapshot:

GOLD:



OIL:



Technical Snapshot: Gold prices gained around 0.9 percent in the last week as the hedge funds raised their bullish bets to a six week high. Also, the appointment of new Federal Reserve Chief Janet Yellen, who is known to be supportive towards stimulus spending, will continue to be positive ahead of the FOMC meet scheduled for 28-29th Jan'14. As we predicted on Friday the yellow metal touched a weekly high of **\$1248.41** and closed at **\$1246.7** in last trading session.

WTI Crude oil futures edged up from their eight month lows. The commodity dropped towards **\$91** per barrel amid lack of demand though sentiments turned around on the last session of the week. Also, crude oil stocks in the US, the biggest oil consumer, are near a 30-year seasonal high thereby signaling towards deteriorating prospects of rise in prices even if demand recovers.

GOLD (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/3/2014	Friday	1224.18	1238.5	1222.31	1231.93
JAN	1/6/2014	Monday	1236.43	1246.18	1232.86	1238.43
JAN	1/7/2014	Tuesday	1238.31	1245.20	1236.88	1238.43
JAN	1/8/2014	Wednesday	1231.81	1232.32	1220.91	1225.63
JAN	1/9/2014	Thursday	1225.64	1228.45	1224.45	1226.32
JAN	1/10/2014	Friday	1227.66	1237.97	1227.4	1233.41

SILVER (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/3/2014	Friday	19.99	20.26	19.98	20.2
JAN	1/6/2014	Monday	20.13	20.33	19.94	20.03
JAN	1/7/2014	Tuesday	20.16	20.26	19.99	20.05
JAN	1/8/2014	Wednesday	19.85	19.85	19.43	19.54
JAN	1/9/2014	Thursday	19.51	19.69	19.42	19.53
JAN	1/10/2014	Friday	19.56	19.84	19.54	19.74

CRUDE (\$/bbl)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/3/2014	Friday	95.45	95.70	95.15	95.76
JAN	1/6/2014	Monday	94.15	94.51	93.88	94.48
JAN	1/7/2014	Tuesday	93.61	93.84	93.50	93.78
JAN	1/8/2014	Wednesday	93.90	94.14	93.69	93.75
JAN	1/9/2014	Thursday	92.48	92.81	92.44	92.71
JAN	1/10/2014	Friday	92.29	92.69	92.18	92.60

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:

Disclaimer

The report has been prepared by *Research Department of C&M Management (Pvt) Ltd* and is for information purpose only. The information and opinions contained herein have been compiled or arrived at based upon information obtained from sources, believed to be reliable and in good faith. Such information has not been independently verified and no guaranty, representation or warranty, expressed or implied is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice.

ANIQ AHMED

Financial Analyst

8st Floor, Saima Trade Centre I.I Chundrigar Road | Karachi | Pakistan

Tel: +92 21 32625171 Cell: +92333-2357606

SYED BILAL-UL-HAQ

Research Analyst

8st Floor, Saima Trade Centre I.I Chundrigar Road | Karachi | Pakistan

Tel: +92 21 32625170 Cell: +92343-3521211