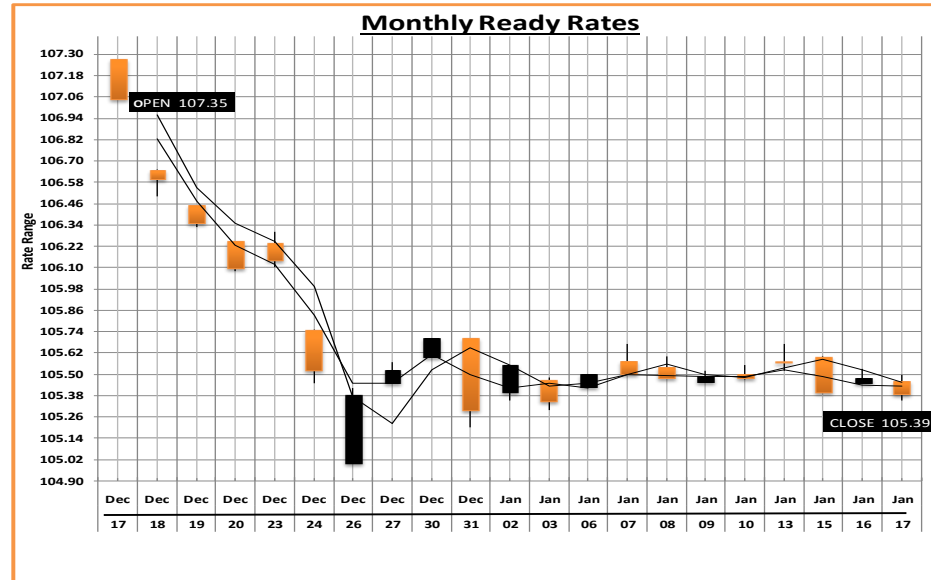


Market Recap: Currency Analysis:



Technical Snapshot:

The Pak rupee ended the week higher against the greenback at a level of **(105.39)** over the prior week closing **(105.48)**. Earlier it tested a high of **(105.67)** but then drifted gradually lower to test **(105.35)** on the last day of the week. The weekly candlestick pattern depicts a mixed belt hold formation suggesting that the USD may drift further lower on the intraday chart in the coming day's. However, the doji candle on **(Jan 15, 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	1/10/2014	Friday	105.5000	105.5500	105.4700	105.4800
READY	JAN	1/13/2014	Monday	105.5700	105.6700	105.5200	105.5700
READY	JAN	1/15/2014	Wednesday	105.6000	105.6000	105.4000	105.4000
READY	JAN	1/16/2014	Thursday	105.4500	105.5300	105.4500	105.4800
READY	JAN	1/17/2014	Friday	105.4600	105.5000	105.3500	105.3900

Swap Analysis

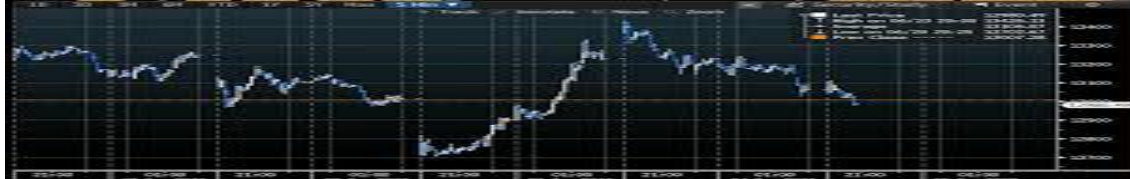
Date		1-Week	2-Week	1-Month	2-Month	3-Month	4-Month	5-Month	6-Month	12-Month
10-Jan-14	MONEY	9.81%	9.76%	9.88%	9.86%	9.85%	9.89%	9.91%	9.93%	10.01%
	SIMY	7.3%	6.0%	5.1%	5.2%	5.9%	6.1%	6.3%	6.3%	6.5%
13-Jan-14	MONEY	9.94%	9.83%	9.89%	9.88%	9.88%	9.90%	9.91%	9.93%	10.01%
	SIMY	3.9%	4.4%	4.5%	4.9%	5.7%	5.9%	6.1%	6.2%	6.5%
15-Jan-14	MONEY	9.94%	9.83%	9.89%	9.88%	9.88%	9.90%	9.91%	9.93%	10.01%
	SIMY	6.0%	6.0%	5.2%	5.4%	6.0%	6.2%	6.3%	6.4%	6.6%
16-Jan-14	MONEY	9.13%	9.51%	9.81%	9.85%	9.88%	9.90%	9.91%	9.93%	10.01%
	SIMY	7.3%	6.4%	5.5%	5.6%	6.1%	6.3%	6.5%	6.5%	6.6%
17-Jan-14	MONEY	9.56%	9.68%	9.81%	9.85%	9.88%	9.90%	9.91%	9.93%	10.01%
	SIMY	8.2%	6.7%	5.9%	5.7%	6.0%	7.6%	6.4%	6.5%	6.6%

Technical Snapshot:

Technically swap market witnessed a persisted rose in all tenors amid a constant USD demand in the market in coming weeks; and we might see the waning rupee (PKR) is expected due to pressure against the heavy debt repayment and a recent rise in international oil prices putting a further dent in the country foreign reserves. Looking at the current market standing we might observe the follow-up trend with slightly high premiums in the coming weeks.

Money Market:

Last week market participants become cautious ahead of MPS-14 and remained lifeless with thin volumes; as we mention in our "Special report" SBP keeps the Discount rate at **10%** in line with our expectation. Primary consideration to halt the process of monetary tightening was lowering of inflation projection than earlier estimates. The central bank slightly lowered its FY-14 average CPI estimates to **10%-11%** previously from **10.5%-11.5%**. Before MPS; money market traded between the range-bound around **8.50% - 9.75%** for most part of the week.



Commodity Snapshot:

GOLD:



OIL:



Technical Snapshot:

Gold remained steady, but is all set for its first weekly drop in 4 weeks. US Unemployment claims last week dropped consecutively for the second week, leaving investors to question the December Jobs Report which showed a worsening job market. Last Friday was set to post its first weekly slump in four as better-than-expected data but was set to post its first weekly slump in

four as better-than-expected data from the world's largest economy offset the metal's safe-haven appeal. We suggest selling on the higher side, with stop loss above US \$ 1255. The support and resistance are at US \$ 1238 and US \$ 1253, respectively.

Crude fluctuated after a steep drop in US crude oil imports and high demand of oil last week. Manufacturing data suggested that the world's biggest economy is on the path to recovery. Investors are also considering the possibility of increasing oil production from Iran and Libya in the near future. This should produce further appreciation towards US \$ 94.71-94.89 with immediate support around US \$ 93.57.

GOLD (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/10/2014	Friday	1227.66	1237.97	1227.4	1233.41
JAN	1/13/2014	Monday	1246.60	1254.09	1245.09	1246.08
JAN	1/15/2014	Wednesday	1244.49	1244.94	1235.55	1239.37
JAN	1/16/2014	Thursday	1239.89	1243.77	1236.3	1237.14
JAN	1/17/2014	Friday	1242.1	1244.55	1239.52	1242.78

SILVER (\$/oz)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/10/2014	Friday	19.56	19.84	19.54	19.74
JAN	1/13/2014	Monday	20.11	20.35	20.08	20.05
JAN	1/15/2014	Wednesday	20.22	20.24	19.96	20.1
JAN	1/16/2014	Thursday	20.16	20.23	19.99	20.02
JAN	1/17/2014	Friday	20.08	20.16	20.01	20.09

CRUDE (\$/bbl)

MONTH	DATE	DAY	OPEN	HIGH	LOW	CLOSE
JAN	1/10/2014	Friday	92.29	92.69	92.18	92.60
JAN	1/13/2014	Monday	92.73	92.86	92.08	92.04
JAN	1/15/2014	Wednesday	92.55	92.80	92.40	92.79
JAN	1/16/2014	Thursday	94.33	94.37	93.83	94.36
JAN	1/17/2014	Friday	94.04	94.47	93.91	94.41

Analyst Certification:

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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