

Global Perspective

Gold: Gold held near a three-week high after sinking oil prices and equities spurred the longest run of daily gains since October last year. Immediate delivery traded at US\$ 1,216.83 an ounce Wednesday morning in Singapore from US\$ 1,218.58 yesterday, when prices rose for a third day to US\$ 1,223.19. February delivery traded at US\$1,216.80 at COMEX from US\$ 1,219.40 yesterday, when futures rose to US\$ 1,223.30.

Crude Oil: Oil traded near US\$ 48 a barrel amid speculation that expanding U.S. inventories will further worsen the global glut that's driven prices to the lowest in more than five years. WTI February delivery was down to US\$ 47.90 a barrel at NYMEX this afternoon Singapore time. The contract dropped to US\$ 47.93 yesterday, the lowest settlement since April 21, 2009.

Silver: Silver for immediate delivery traded at US\$ 16.5075 an ounce from US\$ 16.5365 yesterday, when prices advanced for a third day, rising to US\$ 16.7091, the highest level since December 15, 2014.

Data Announcements

Following data is expected to be announced today and tomorrow around given times:

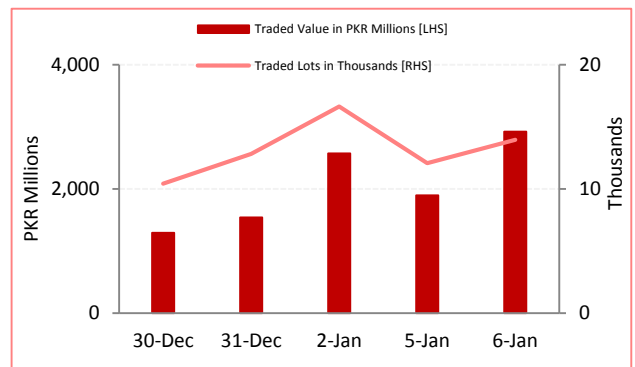
| | Time (PST) | Currency | Impact | Details |
|-------------|------------|----------|--------|--------------------------------|
| 07-Jan-2015 | 03:00 pm | EUR | High | CPI Flash Estimate y/y |
| | 06:15 pm | USD | High | ADP Non-Farm Employment Change |
| | 06:30 pm | USD | High | Trade Balance |
| 08-Jan-2015 | 12:00am | USD | High | FOMC Meeting Minutes |
| | 5:00pm | GBP | High | Official Bank Rate |
| | 6:30pm | USD | High | Unemployment Claims |

PMEX Market Overview

On Tuesday at Pakistan Mercantile Exchange (PMEX) value traded was PKR 2.92 billion as compared to PKR 1.89 billion reported on Monday, an increase of 54 percent. Number of lots traded also increased by 16 percent to 13,952 from 12,076.

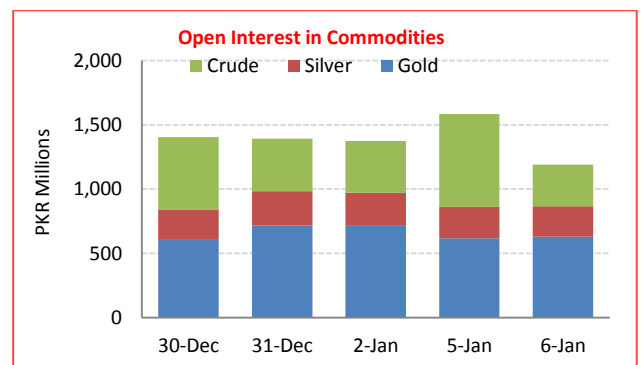
PMEX Commodity Index closed at 2,593.

Major business was contributed by gold amounting to PKR 1.52 billion, a 79 percent increase when compared to the previous trading day. This was followed by crude oil (PKR 1.32 billion) and silver (PKR 77 million).



PMEX Market Trend

Open interest in crude oil shrank by 55 percent where investors remained net long with expectations of a bounce back in price. Crude oil open positions remained at PKR 322 million for the last trading day. Open position in precious metals remained relatively unchanged, where gold maintained a 53 percent share in overall open interest. The Exchange maintained a net worth of PKR 1.19 billion of open positions, which remained just 41 percent of total trading volume for the last trading day.



PMEX Open Interest Summary – January 06, 2015

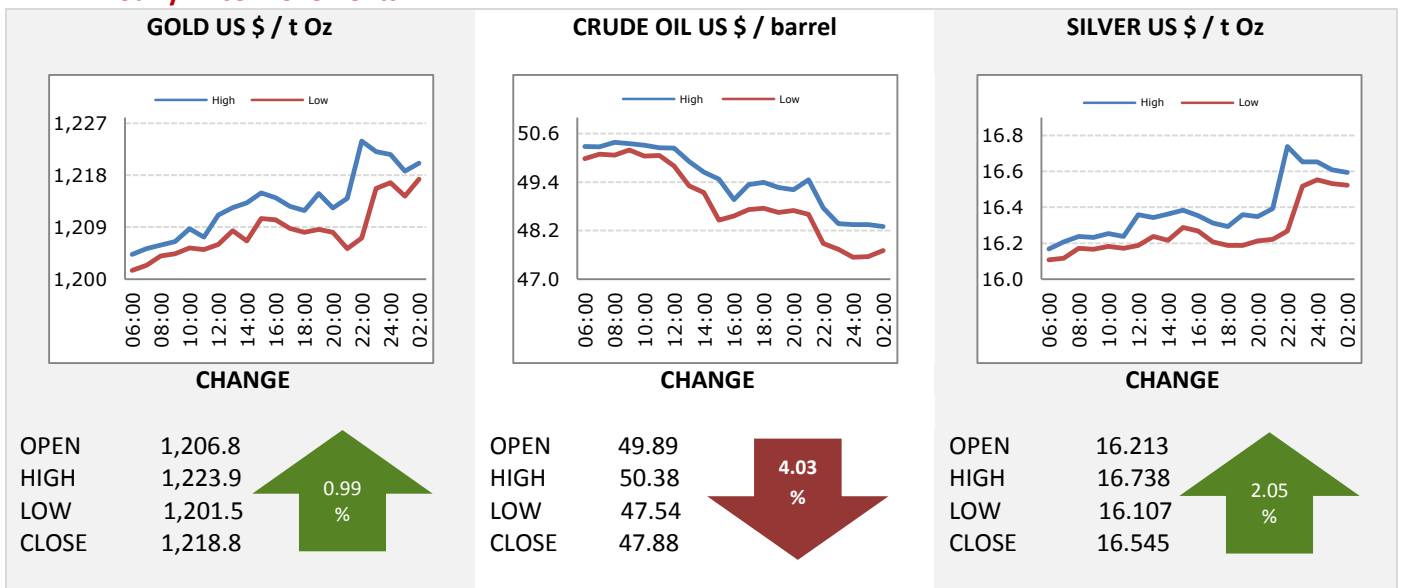
| | CRUDE 10 | CRUDE 100 | GO1 OZ | GO10 OZ | GO100 OZ | GOLD | MTOLA GOLD | TOLA GOLD | SL10 OZ | SL100 OZ | SL500 OZ | Grand Total |
|-----------------------|-------------|--------------|-----------|------------|-------------|------|---------------|--------------|------------|-------------|-------------|----------------|
| OI - Lots | 3,920 | 274 | 1,091 | 382 | 2 | 2 | 25 | 8 | 366 | 278 | 222 | 6,570 |
| OI - Value (Millions) | 190 | 133 | 134 | 469 | 25 | 0.8 | 0.00119 | 0.38 | 6 | 46 | 185 | 1,190 |
| Market Trend | NL | NL | NS | NL | NL | NS | NS | NL | NL | NL | NS | NL |

Open Interest | NL = Net Long | NS = Net Short | Value = PKR

| Price Returns Summary | Gold | Silver | Crude |
|-------------------------------------|-------|--------|--------|
| Return Close/Open % | 0.99 | 2.03 | -4.11 |
| Difference in Open and Close (\$) | 12.00 | 0.33 | (2.01) |
| Range Day (Max – Min)/Open % | 1.84 | 3.81 | 5.93 |
| Difference in Max & Min (\$) | 22.40 | 0.63 | 2.84 |
| Average Return (1 Hour) % | 0.40 | 0.75 | 1.10 |
| Volatility (1 Hour) % | 0.27 | 0.53 | 0.51 |
| Return to Volatility Ratio (1 Hour) | 1.50 | 1.41 | 2.14 |
| Intraday Volatility % | 1.21 | 2.44 | 2.36 |

Gold futures traded above US\$ 1,200 an ounce, hitting a high of US\$ 1,223.9, on Tuesday the highest level in almost three weeks. Silver prices rose by 2.05 percent with a return to volatility ratio of 1.41 for the last day. Crude oil prices dropped to a 6 year low of US\$ 47.54 a barrel with a 4.03 percent intraday change. A stronger negative correlation between crude oil and gold was evident throughout the day, where crude outperformed gold in terms of intraday volatility.

PMEX Hourly Price Movements



Term of the Day

Sentiment (Market)

احساس۔ ٹریڈرز کی مجموعی نفسیات کا احساس۔ منڈی کے رجحان سے متعلق ٹریڈرز کی رائے جاننا۔ Market Sentiment کے ذریعے ٹریڈرز کی مجموعی نفسیات کا اندازہ لگانا اور آنے والی تیزی یا مندی کے رجحان کو محسوس کرنا۔

Futures Trading 101:

PMEX is offering Futures Trading 101, biweekly free of cost training sessions, scheduled every Tuesday and Thursday from 3:00 pm to 5:00 pm at PMEX premises. The training is specially designed for market participants to provide an in-depth knowledge of commodity fundamentals, technical analysis and listed products at PMEX. In addition, it also equips trainees with hands on experience with the Trading System at PMEX. To register, log on to www.pmem.com.pk

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