Treasury Consultants

# CMKA WEEKLY TREASURY MARKET OUTLOOK 29TH JUNE 2026

## MARKET OUTLOOK

The first session of high-level talks on **ME** war held in Switzerland concluded last week, which Pakistan & Qatar mediated the negotiations aimed at securing a lasting peace agreement, has been termed as *encouraging progress*. Oil prices seem to be stabilising at $72-75, which had edged higher amid uncertainty over the status of Strait of Hormuz. Oil market has seen a declining trend on optimism from opening round of peace talks. Stocks in Asia, where countries import vast quantities of oil and gas, were also showing renewed confidence. Global **UREA** prices sharply fell to **$366** USD/T down **16.75%** YoY after touching at **$717** during peak Apr/May26 of **ME** war See Charts. This will be a major respite for Pakistan's food and agriculture industry, which may push prices lower and facilitate reduce inflationary pressure in the **2H2026.**

On the other hand, when last week Pakistan announced **Islamabad-MoU** intended to bring **ME** war to a formal close within **60** days, Asian countires breathed something close to relief. Strait of Hormuz, which had been shut to shipping since late **Feb26,** seems to be slowly reopening and oil prices have retreated to **$69** from their crisis peaks of **>$120.** But relief is not the same as recovery. The conflict damage inflicted on Asian economies on growth & govt finances is neither minor nor quickly reversible. China and India alone contribute roughly **40-45%** of incremental global **GDP** growth & other major Asian economies; Indonesia, South Korea, Vietnam & **ASEAN** collectively add another **10-12%.** And last week, investors reverberated around the world, shifting focus away from **ME** war, oil prices, interest rates and geopolitical concerns that have influenced the market of late, global stock markets trembled 23Jun26, dragged down by tech **Cos**, as enthusiasm for **A.I. Cos** may be approaching its limits. **PSX** also witnessed a lacklusture trading week.

## FOREIGN EXCHANGE

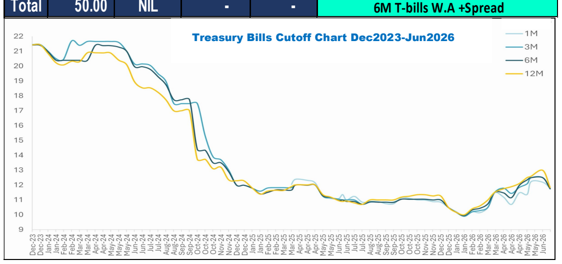
In a short three working days' week, in the interbank, **$** closed at **278.20** and in kerb **ECs** quoted a mid-rate of **279.15**. Forward premiums traded **1M@1.88**(1.43), **3M@4.56**(3.79) & **6M@8.34**(7.82). **CB's** forex reserves closed at **$22.741**b ($22.671b)↑$70m.

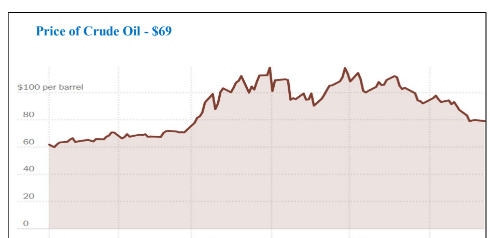
## MONEY MARKET

In a regular T-bills auction, **CB** picked up **1.24tr** against maturity of **1.12tr** with a target of **1.20tr.** The auction is clearly a rollover of maturing debt and aided govt to reduce the borrowing cost by **75-115bps** in **3-12M** tenors. It also sends a signal to the market that interest rates may fall in the event **60** days ceasefire in **ME** war positively accomplish desired results. Market may see cutoffs falling to single digit levels if oil prices fall <$70, and may entail greater relief in debt servicing cost, which absorbs **>44%** of Pakistan's annual tax revenues. In the secondary market trading, strong demand for govt securities was witnessed to secure **SLR** holdings inventory higher **YTMs** levels for steady **NIM** gains in **2H2026.**

**Pakistan - Treasury Bills - DV / Floater Bond Auction - June 23, 2026**

| Tenor | Target | Maturity | Bids | Raised | Cutoff 10Jun26 | Cutoff 23Jun26 | Change bps |
|---|---|---|---|---|---|---|---|
| 1M | 300.00 | 436.10 | 292.00 | 161.00 | 12.1892% | 11.7997% | 39↓ |
| 3M | 300.00 | 486.00 | 420.00 | 253.00 | 12.4988% | 11.7499% | 75↓ |
| 6M | 300.00 | 34.00 | 628.00 | 205.00 | 12.4901% | 11.7479% | 74↓ |
| 12M | 300.00 | 164.50 | 1,748.00 | 624.00 | 12.9895% | 11.8381% | 115↓ |
| Total | 1,200.00 | 1,120.60 | 3,088.00 | 1,243.00 | Amount in Billions PKR | | |
| 10Y | 50.00 | NIL | Rejected | NIL | 79.43bps | Rejected | |
| Total | 50.00 | NIL | - | - | 6M T-bills W.A +Spread | | |



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# CMKA WEEKLY TREASURY MARKET OUTLOOK – 29TH June 2026

**Currency Market Associates - Pakistan Treasury Market Weekly Update**

| Date → | Three (3) Weeks Rate | | | Year End December Closing Rate in PKR/USD | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 29-Jun-26 | 22-Jun-26 | 15-Jun-26 | Y-2025 | Y-2024 | Y-2023 | Y-2022 | Y-2021 | Y-2020 | Y-2019 |
| **Interbank PKR/US Dollar - Forex Rates in PKR** | | | | | | | | | | |
| USD - Ready/Spot | 278.20 | 278.25 | 278.32 | 280.12 | 278.55 | 281.86 | 226.43 | 176.51 | 159.83 | 154.85 |
| USD - Forward - 1M | 280.08 | 279.68 | 280.14 | 281.12 | 279.49 | 284.24 | 226.81 | 177.48 | 160.88 | 156.20 |
| USD - Forward - 3M | 282.76 | 282.04 | 283.20 | 282.87 | 280.68 | 287.97 | 227.33 | 179.80 | 162.77 | 158.04 |
| USD - Forward - 6M | 286.54 | 286.07 | 287.46 | 285.50 | 283.29 | 292.35 | 228.80 | 183.68 | 165.30 | 160.88 |
| **Pakistan - Domestic Debt Market Indicators - (Treasury Bills and Pakistan Investment Bonds 'PIBs')** | | | | | | | | | | |
| T-Bills 3M - (Auction Cut-off) | 11.7499% | 12.4988% | 12.4988% | 10.4878% | 11.9900% | 21.2500% | 16.9900% | 10.5900% | 7.1500% | 13.4900% |
| T-Bills 6M - (Auction Cut-off) | 11.7479% | 12.4901% | 12.4901% | 10.4799% | 11.9900% | 21.3500% | 16.8900% | 11.4500% | 7.2000% | 13.2900% |
| T-Bills 12M - (Auction Cut-off) | 11.8381% | 12.9895% | 12.9895% | 10.4880% | 12.2900% | 21.3500% | 16.8000% | 11.5100% | 7.2900% | 13.1300% |
| PIB 03Y (MKT - YTMs) | 11.7000% | 11.8000% | 12.6500% | 10.5000% | 12.3000% | 17.1000% | 15.6500% | 11.4000% | 8.2800% | 11.6100% |
| PIB 05Y (MKT - YTMs) | 11.7500% | 11.9500% | 12.5000% | 10.8000% | 12.3500% | 16.1000% | 14.6000% | 11.4000% | 9.0800% | 10.9400% |
| PIB 10Y (MKT - YTMs) | 12.2000% | 12.4000% | 12.8000% | 11.4700% | 12.1500% | 14.9000% | 13.7000% | 11.6000% | 9.9000% | 11.0000% |
| PIB 10Y FRB (MKT Spread) | 65bps | 70bps | 75bps | 63bps | 135bps | 150 bps | 70bps | 68bps | 65bps | 34bps |
| **Pakistan - Interbank Money Market Rates - KIBOR & REPO** | | | | | | | | | | |
| KIBOR - 1 Month | 11.9300% | 11.9400% | 12.1700% | 10.8400% | 13.3500% | 22.1000% | 16.4000% | 10.3900% | 7.4500% | 13.6800% |
| KIBOR - 3 Months | 11.8200% | 11.9100% | 12.4200% | 10.6300% | 12.1400% | 21.4600% | 17.0000% | 10.5400% | 7.2900% | 13.5500% |
| KIBOR - 6 Months | 11.8900% | 12.0400% | 12.5600% | 10.6500% | 12.1600% | 21.7100% | 17.0400% | 11.4600% | 7.3500% | 13.4900% |
| Repo - 1 Month | 11.5500% | 11.5500% | 11.5500% | 11.0000% | 13.0000% | 22.1000% | 16.2500% | 10.3000% | 7.2000% | 13.4500% |
| Repo - 3 Months | 11.6000% | 11.6500% | 11.6500% | 11.0000% | 12.2500% | 22.1000% | 16.8000% | 10.5000% | 7.2000% | 13.4500% |
| Repo - 6 Months | 11.6500% | 11.7500% | 11.7500% | 11.0000% | 12.0000% | 22.1000% | 16.9500% | 11.2500% | 7.2000% | 13.4500% |
| **International Debt Market Indicators - Pakistan Eurobond/Sukuk - Market Prices (YTM Offer)** | | | | | | | | | | |
| Eurobond $0.750b - 6.975%-04/29 | 6.6900% | 6.7200% | 7.4500% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% |
| Eurobond $1.500b - 6.875%-12/27 | 5.9200% | 5.9600% | 6.3300% | 6.1800% | 10.5800% | 18.1800% | 30.9900% | 6.4900% | 5.8900% | 6.0500% |
| Eurobond $1.400b - 7.375%-04/31 | 7.1000% | 7.1200% | 7.6900% | 7.2400% | 10.8700% | 16.5700% | 26.1900% | 7.3200% | 0.0000% | 0.0000% |
| Eurobond $0.300b - 7.875%-03/36 | 7.7900% | 7.8200% | 8.2100% | 8.0100% | 11.2000% | 16.5700% | 26.1900% | 7.3200% | 0.0000% | 0.0000% |
| Eurobond $0.800b - 8.875%-04/51 | 8.7500% | 8.7700% | 9.1000% | 8.9400% | 11.3800% | 24.0900% | 24.0900% | 8.8000% | 0.0000% | 0.0000% |
| Sukuk $1.000b - 7.950%-01/29 | 6.5200% | 6.6700% | 7.2500% | 6.8200% | 10.0800% | 15.2100% | 22.0200% | 3.1200% | 0.0000% | 0.0000% |
| WAPDA Green -$0.500b-7.50%-06/31 | 7.9200% | 8.0900% | 8.5300% | 8.4200% | 12.2500% | 19.1000% | 23.3300% | 0.0000% | 0.0000% | 0.0000% |
| **Other Major Indicators** | | | | | | | | | | |
| Rating - Global - Fitch & S&P | B- Stable | B- Stable | B- Stable | B- Stable | CCC+Stable | CCC-Negative | CCC+Stable | B-Stable | B-Stable | B-Negative |
| Risk Premium CDS 5Y (Mid) | 391bps | 391bps | 383bps | 441bps | 1493bps | 3306bps | 9763bps | 376bps | 465bps | 350bps |
| Forex Reserves - SBP | $22.741b | $22.741b | $22.671b | $21.022b | $16.37b | $12.85b | $11.70b | $24.27b | $20.31b | $18.08b |
| FCY Debt (Mar26) - SBP | $137.5b | $137.5b | $137.5b | $133.7b | $130.0b | $130.0b | $130.0b | $125.0b | $113.8b | $106.3b |
| LCY Debt (Apr26) - SBP | 58.08 tr | 58.08 tr | 58.08 tr | 53.42 tr | 47.72 tr | 31.10 tr | 31.10 tr | 28.23 tr | 28.23 tr | 21.50 tr |
| SCRA A/C - PSX Equity - SBP | $2.14b | $2.14b | $2.15b | $2.64b | $2.00b | $1.40b | $1.30b | $2.10b | $2.73b | $3.74b |
| SCRA A/C - LCY Debt - SBP | $497m | $497m | $475m | $322m | $858m | $3.60m | $5.20m | $656m | $75m | $1.45b |
| Policy Rate - SBP | 11.50% | 11.50% | 11.50% | 10.50% | 13.00% | 22.00% | 16.00% | 9.75% | 7.00% | 13.25% |
| Fed Rate (US$) | 3.75% | 3.75% | 3.75% | 3.75% | 4.25% | 5.50% | 4.00% | 0.25% | 0.25% | 1.75% |
| CPI (Monthly) | 11.70% | 11.70% | 11.70% | 6.15% | 4.10% | 29.70% | 24.50% | 12.30% | 8.30% | 12.67% |
| Banks' Deposits 03/26 - SBP | 37.505 tr | 37.505 tr | 37.505 tr | 35.380 tr | 31.11 tr | 26.66 tr | 22.20 tr | 19.91 tr | 16.65 tr | 14.36 tr |
| Banks' Loans 03/26 - SBP | 14.555 tr | 14.555 tr | 14.555 tr | 13.421 tr | 14.87 tr | 11.96 tr | 11.06 tr | 9.85 tr | 8.18 tr | 8.10 tr |
| PKR-M2 Cash in Cir. (Apr26) - SBP | 11,606b | 11,606b | 11,748b | 10,967b | 9,144b | 8.548tr | 7.795tr | 7.20tr | 6.30tr | 5.44 tr |
| OMO-QE Injection - SBP | 16.357 tr | 16.357 tr | 15.552 tr | 13.122 tr | 11.18 tr | 10,119b | 5,177b | 1,674b | 1,000b | 975b |
| PSX - 100-Index | 179,571 | 178,922 | 172,399 | 174,054 | 117,008 | 64,661 | 39,669 | 44,886 | 43,416 | 40,735 |
| Wheat - (USd-MT) | $232.59 | $231.90 | $234.94 | $222.16 | $246.00 | $245 | $329 | $274 | $212 | $224 |
| Cotton - US Cotton #2 (CTZ5) - USd | $77.94 | $79.80 | $76.42 | $64.34 | $68.76 | $81.22 | $84.53 | $113.00 | $76.17 | $69.05 |
| Sugar London - USd - LSUc1 | $441.20 | $445.30 | $446.30 | $426.00 | $509.00 | $594.00 | $554.00 | $497.00 | $408.00 | $358.00 |
| Soybean - USd/Bu | $1,117 | $1,122 | $1,113 | $1,042 | $981 | $1,298 | $1,524 | $1,288 | $1,341 | $942 |
| Coal - USd/T | $143.95 | $144.00 | $151.75 | $106.65 | $123.50 | $131.55 | $404.15 | $169.60 | $87.40 | $67.50 |
| Oil (WTI-OPEC) | $69.62 | $75.41 | $80.85 | $57.89 | $71.94 | $72.92 | $79.93 | $76.38 | $48.20 | $61.20 |
| Gold (Spot - USD/t.oz) | $4,084 | $4,181 | $4,315 | $4,321 | $2,635 | $2,075 | $1,840 | $1,804 | $1,891 | $1,518 |
| Silver (Spot - USD/t.oz) | $65.61 | $65.61 | $70.11 | $74.62 | $30.50 | $23.75 | $24.10 | $21.93 | $24.42 | $17.18 |
| Copper - USD/Lbs | $6.30 | $6.30 | $6.51 | $4.09 | $4.09 | $3.69 | $3.90 | $4.28 | $3.47 | $2.74 |
| Bitcoin -BTC | $59,843 | $64,100 | $65,706 | $88,412 | $101,138 | $42,265 | $17,561 | $47,169 | $28,841 | $7,294 |
| US$ Index - DXY | 101.31 | 100.91 | 99.44 | 98.30 | 108.49 | 101.33 | 110.05 | 89.21 | 93.27 | 96.54 |
| PKR/US$ - KERB - Ex.Cos | 279.15 | 279.15 | 278.90 | 282.10 | 282.00 | 284.00 | 236.50 | 180.00 | 161.00 | 155.10 |

*The above materials are based on facts and opinions known to be reliable at the time of publication and is created without the help of A.I. Currency Market Associates Ltd. 'CMKA' is not responsible for its accuracy. This market outlook is strictly for information and not intended for any trade and business transaction.*

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