



ธนาคารทหารไทย จำกัด (มหาชน)

TMB BANK PUBLIC COMPANY LIMITED

Money Market Watch

Capital Markets Group

30 August 2010

FX Market

- **U.S. stocks rebounded to post their best gains in nearly four weeks on Friday**, as strong buying interest at a key technical level and short-covering sparked the market's comeback, and the tone improved as investors took a more positive view of Bernanke's comments about the economy and the Fed's readiness to act.
- **The dollar rose against the yen and the Swiss franc on Friday** after U.S. Federal Reserve Chairman Ben Bernanke said the Fed was prepared to provide stimulus to boost a U.S. economic recovery that had slowed more than expected, but did not say how or when. The dollar was up 1.1 percent against the yen at 85.35 yen after climbing as high as 85.49 yen, while the euro see-sawed but last traded up 0.1 percent at \$1.2733
- **Prime Minister Naoto Kan said he would take firm action on currencies when needed** and that he would meet Bank of Japan Governor Masaaki Shirakawa when the central bank chief returns from the U.S. Shirakawa traveled to Jackson Hole, Wyoming, for the Fed conference and will return to Tokyo on August 30.
- **USD/THB lower at 31.33 on capital inflows** as local stock market continues to outperform regional bourses. Still, pair off intraday low of 31.31 on suspected BOT intervention, says dealers. Pair finds strong support at THB31.30; players expect USD to rebound briefly after recent sharp decline, one dealer says. Support tipped at 31.25, resistance at 31.35 for Monday.

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Fig 1 Currency Prices

Currency	Close	High	Low	Note
USD Index	82.826	82.93	82.81	
EUR/USD	1.2762	1.2777	1.2682	
USD/JPY	85.18	85.45	84.29	
GBP/USD	1.5520	1.5535	1.5445	
AUD/USD	0.8987	0.8998	0.8848	
USD/THB	31.35	32.38	32.35	

Source: Reuters, TMB Capital Markets Group

Additional Information

Fig 2 Key Economic Indicators

Date	Event	Forecast	Result	Previous	Note
30-Aug	US Consumpn real, July			1	%
30-Aug	US Personal incm, July	0.2			%

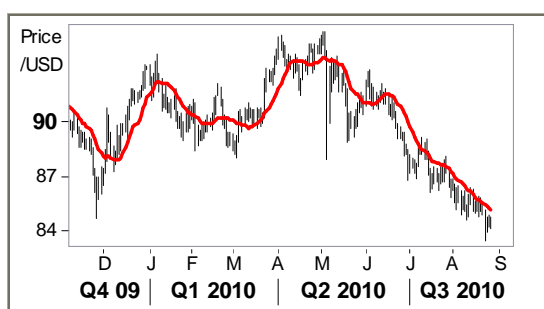
Source: Reuters

Fig 3 Daily Chart of EUR/USD



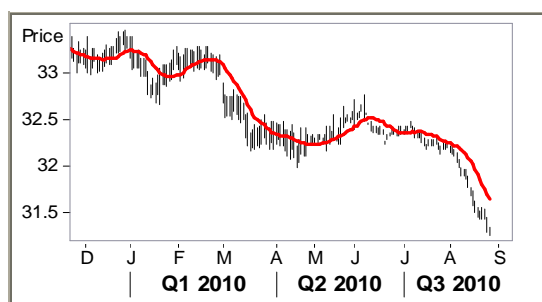
Source: Reuters

Fig 5 Daily Chart of USD/JPY



Source: Reuters

Fig 7 Daily Chart of USD/THB



Source: Reuters

Fig 4 Equity Market Development

Index	Close Date	Close	Change (%)
Dow Jones	27 Aug 10	10,150.65	1.65
FTSE	27 Aug 10	5,201.56	0.89
Nikkei	27 Aug 10	8,991.06	0.95
Hang Seng	27 Aug 10	20,597.35	-0.07
SET	27 Aug 10	900.37	1.61

Source: Reuters

Fig 6 Key Resistance and Support Technical Levels

Level	USD/THB	USD/JPY	EUR/USD
R3	31.45	86.57	1.2820
R2	31.40	86.10	1.2785
R1	31.35	85.94	1.2765
S1	31.25	85.47	1.2730
S2	31.20	85.17	1.2715
S3	31.15	84.71	1.2680

Source: TMB Capital Markets Group

Fig 8 Forward Points (Satang)

Level	USD/THB	JPY/THB	EUR/THB
1m	1.50 / 3.00	0.01 / 0.07	-0.30 / 5.70
3m	4.75 / 7.50	0.07 / 0.15	3.20 / 10.80
6m	11.25 / 13.75	0.17 / 0.29	8.40 / 19.80

Source: Reuters, TMB Capital Markets Group

Local Bond Market

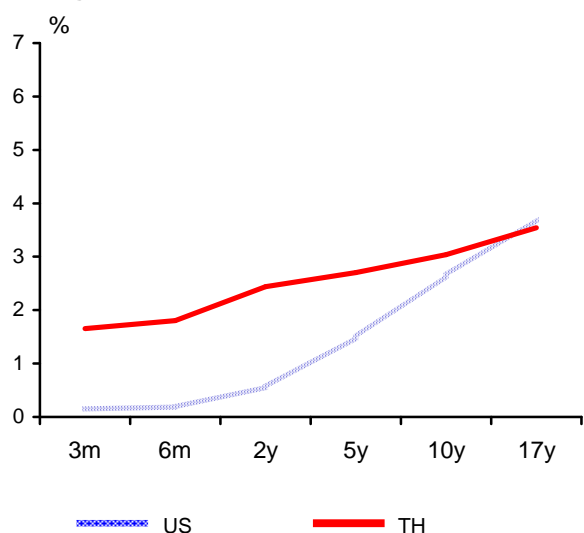
- **Last Friday, trading in Thai government bond market was very active.** Buying by local fund and offshore in 2-3 year bond. Closing yielded of government bond move lower around 1-6 bps across the curve.

- **Result of Central bank bond auctions were a t**
 - a) avg 1.64156% 14 days tenor amount THB 80bio with a BCR of 1.48
 - b) avg 1.90306% 2.54 years tenor amount THB 15bio with a BCR of 2.38

- **Today auction will take place for 3 types of T-bill**
 - a) 1.60%-1.61% expected for 1month amount THB 3bio.
 - b) 1.67%-1.70% expected for 3month amount THB 3bio.
 - c) 1.80%-1.82% expected for 6month amount THB 3bio.

Additional Information

Fig 9 US and Thai Government Bond Yields



Source: Reuters

Fig 10 US and Thai Government Bond Yields

Thai		US	
Tenor	Yield (%)	Tenor	Yield (%)
3m	1.657	3m	0.147
6m	1.805	6m	0.188
2y	2.437	2y	0.557
5y	2.704	5y	1.493
10y	3.037	10y	2.648

Source: Reuters

Fig 11 Daily Volume of Bond Market Activity

Type of Bond	Volume (Btm)
Treasury Bill	739
Government Bond	19,669
State Agency Bond (BOT)	110,197
State Enterprise Bond	-
Corporate Bond	199

Source: Thai Bond Market Association Bond

Fig 12 Selected Central Bank Announcement Dates in 2010 (First line are current rates in %.)

FOMC	MPC	ECB	BOJ	BOE	RBA
0-0.25	1.25	1.0	0.1	0.5	4.50
28-Apr	2-Jun	10-Jun	15-Jun	10-Jun	1-Jun
23-Jun	14-Jul	8-Jul	15-Jul	8-Jul	6-Jul
10-Aug	25-Aug	5-Aug	10-Aug	5-Aug	3-Aug
<u>21-Sep</u>	<u>20-Oct</u>	<u>2-Sep</u>	<u>7-Sep</u>	<u>9-Sep</u>	<u>7-Sep</u>
3-Nov	1-Dec	7-Oct	28-Oct	7-Oct	5-Oct

MPC = Thailand's Monetary Policy Committee, ECB = European Central Bank

BOJ = Bank of Japan, BOE = Bank of England, RBA = Royal Bank of Australia

Source: Reuters

Fig 13 Commodity Prices

Commodity	Unit	Price (USD)	Change(%)
Aluminium	tonne	1,996.0	-0.10
Copper	tonne	7,286.0	1.26
Gold	ounce	1,235.3	-0.03
Oil	barrel	75.17	2.47
Rubber	baht/kg	105.9	0.71

Source: Reuters

Fig 14 Key Local Market Rates

Type	Rate (%)
1 Day R/P	1.75
14 Day R/P	-
Interbank	1.40
MRR	6.875
MOR	6.625
MLR	6.375

Source: Bank of Thailand, TMB Bank

Fig 15 Singapore Interbank Offered Rates (SIBOR) (%)

Value Date

2-Sep-10	1m	2m	3m	6m	12m
USD	0.27104	0.29612	0.32600	0.53200	0.89000
SGD	0.37500	0.43750	0.50000	0.62500	0.77083

Source: Reuters

Fig 16 London Interbank Offered Rates (LIBOR) (%)

Value Date

2-Sep-10	1m	2m	3m	6m	12m
USD	0.25938	0.27531	0.29688	0.50319	0.85831
GBP	0.56750	0.62188	0.72609	1.02031	1.46500
EUR	0.57763	0.67375	0.82750	1.10529	1.38688
JPY	0.14563	0.18438	0.23188	0.43625	0.66750

Source: Reuters

Fig 17 Indicative Daily Exchange Rate

Currency	Buy			Sell	
	D/D & T/C	T/T	Note	Bill	Note
USD	31.06000	31.16000		31.41000	
DENO.\$: 1-2			30.03000		31.55000
DENO.\$: 5-20			30.50000		31.55000
DENO.\$: 50-100			30.89000		31.55000
EUR	39.43380	39.56070	38.40000	40.19220	40.38000
GBP	48.10875	48.26250	46.98000	48.96625	49.50000
JPY : 100	35.99375	36.11000	34.93000	36.91500	37.13000
HKD	3.98500	3.99875	3.92000	4.04500	4.11000
MYR			8.99000		10.58000
SGD	22.84250	22.91625	22.68000	23.35875	23.49000
BND			21.90000		23.37000
PHP			0.48000		0.74000
CAD	29.49375	29.58875	29.04000	30.02625	30.14000
AUD	27.91250	28.00250	26.98000	28.44875	29.00000
NZD	22.01125	22.08250	21.82000	22.48125	22.89000
CHF	30.00625	30.10250	29.68000	30.64125	30.75000
DKK	5.30375	5.32125	5.10000	5.39250	5.43000
NOK	4.96500	4.98125	4.77000	5.05375	5.10000
SEK	4.20500	4.21875	4.04000	4.28375	4.33000
EUR	39.43380		38.40000	40.19220	40.38000
CNY			3.71000		4.86000

Source: TMB Capital Markets Group

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