



ธนาคารทหารไทย จำกัด (มหาชน)

TMB BANK PUBLIC COMPANY LIMITED

Money Market Watch

Capital Markets Group

1 September 2010

FX Market

- **U.S. stocks rose, trimming the biggest August slump since 2001**, as regulators approved a Chinese investment in Morgan Stanley and gains in home prices and consumer confidence tempered concern the economy is faltering.
- **The euro edged up against the dollar to \$1.2685**. However, EUR/USD continued to trade below 1.2700 in large part by EUR/JPY selling, some tied to month-end flows and some due to a story about the ECB delaying tightening of monetary policies.
- **The yen traded near a 15-year high against the dollar at 84.26 yen per dollar**. With mounting U.S. economic worries likely to keep investors away from riskier assets such as stocks and high-yielding currencies, the market may push up the low-yielding yen.
- **USD/THB inched up to 31.285 vs 29-month low of 31.275 on monday**, tracking general firmer tone of USD/Regionals. Weakness is owed to suspected mild intervention by BoT and month-end USD demand from importers. However, continuous inflows into Thai equities will limit the pair's upside. Today's trading range is expected to be between 31.15-31.25

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Fig 1 Currency Prices

Currency	Close	High	Low	Note
USD Index	83.161	83.30	83.16	
EUR/USD	1.2688	1.2742	1.2626	
USD/JPY	84.15	84.65	83.83	
GBP/USD	1.5352	1.5473	1.5329	
AUD/USD	0.8911	0.8954	0.8862	
USD/THB	31.275	31.29	31.31	

Source: Reuters, TMB Capital Markets Group

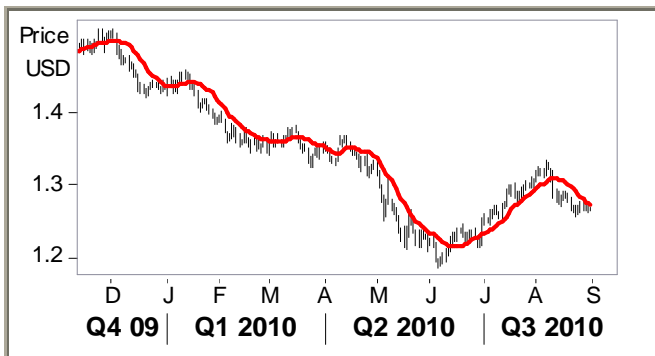
Additional Information

Fig 2 Key Economic Indicators

Date	Event	Forecast	Result	Previous	Note
31-Aug	US Cons confidence	50.5	53.5	50.4	
1-Sep	US ADP National Employment	19	-	42	
1-Sep	US ISM Manufacturing PMI	53	-	55	

Source: Reuters

Fig 3 Daily Chart of EUR/USD



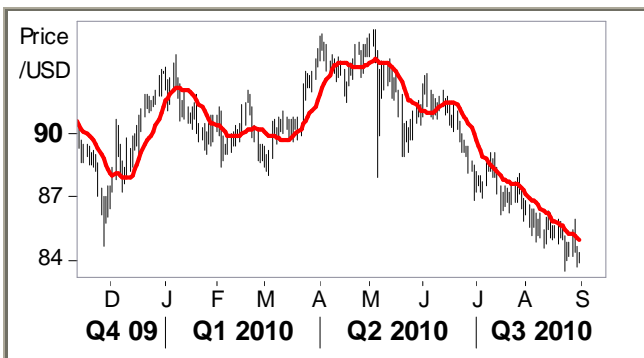
Source: Reuters

Fig 4 Equity Market Development

Index	Close Date	Close	Change (%)
Dow Jones	31 Aug 10	10,014.72	0.05
FTSE	31 Aug 10	5,225.22	0.45
Nikkei	30 Aug 10	8,824.06	-3.55
Hang Seng	31 Aug 10	20,536.49	-0.97
SET	31 Aug 10	913.19	0.39

Source: Reuters

Fig 5 Daily Chart of USD/JPY



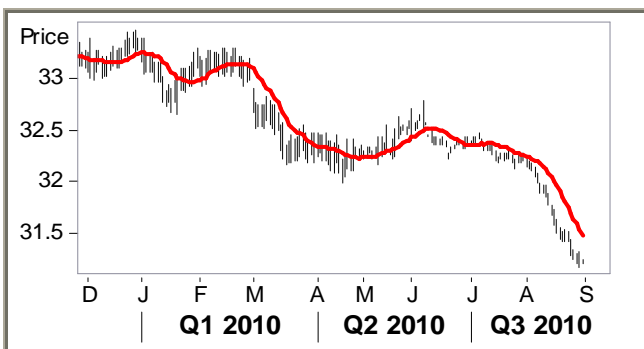
Source: Reuters

Fig 6 Key Resistance and Support Technical Levels

Level	USD/THB	USD/JPY	EUR/USD
R3	31.35	85.17	1.2735
R2	31.30	84.73	1.2706
R1	31.25	84.56	1.2694
S1	31.15	84.11	1.2666
S2	31.10	84.85	1.2650
S3	31.05	83.41	1.2622

Source: TMB Capital Markets Group

Fig 7 Daily Chart of USD/THB



Source: Reuters

Fig 8 Forward Points (Satang)

Level	USD/THB	JPY/THB	EUR/THB
1m	1.00 / 3.00	0.00 / 0.07	-0.90 / 5.70
3m	4.50 / 7.75	0.07 / 0.15	3.10 / 11.30
6m	11.25 / 13.75	0.18 / 0.29	8.90 / 20.30

Source: Reuters, TMB Capital Markets Group

Local Bond Market

- **Yesterday, Yield of government bond were down tracking overnight U.S. Treasury.**
 Buying from fund, Offshore in 2-3 year notes. Closing yielded of government bond were mixed - 1 to -3 bps across the curve.

- **Result of Central bank bond auctions were at**
 - a) avg 1.61379% 1Month tenor amount THB 22bio with a BCR of 2.76
 - b) avg 1.69790% 3Month tenor amount THB 15bio with a BCR of 2.14
 - c) avg 1.84930% 6Month tenor amount THB 12bio with a BCR of 3.26

Additional Information

Fig 9 US and Thai Government Bond Yields

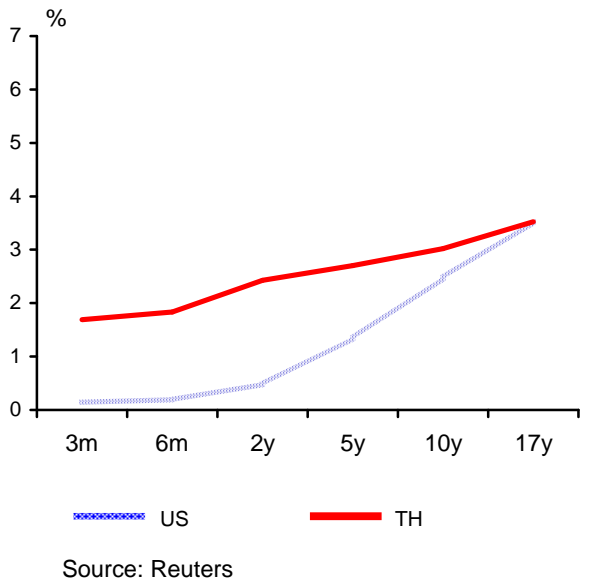


Fig 10 US and Thai Government Bond Yields

Thai		US	
Tenor	Yield (%)	Tenor	Yield (%)
3m	1.689	3m	0.142
6m	1.836	6m	0.193
2y	2.429	2y	0.478
5y	2.702	5y	1.341
10y	3.021	10y	2.475

Source: Reuters

Fig 11 Daily Volume of Bond Market Activity

Type of Bond	Volume (Btm)
Treasury Bill	3,133
Government Bond	11,178
State Agency Bond (BOT)	51,236
State Enterprise Bond	-
Corporate Bond	661

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	2,044.0	2.40
Copper	tonne	7,355.0	0.95
Gold	ounce	1,246.4	0.85
Oil	barrel	74.70	-3.72
Rubber	baht/kg	106.1	1.41

Source: Reuters

Fig 14 Key Local Market Rates

Type	Rate (%)
1 Day R/P	1.75
14 Day R/P	-
Interbank	1.63
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	0.29512	0.32150	0.52700	0.88400
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	0.57500	0.67250	0.83000	1.10779	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	30.99000	31.09000		31.34000	
DENO.\$: 1-2			29.96000		31.48000
DENO.\$: 5-20			30.43000		31.48000
DENO.\$: 50-100			30.82000		31.48000
EUR	39.18060	39.30710	38.15000	39.93660	40.12000
GBP	47.41125	47.56375	46.30000	48.26125	48.79000
JPY : 100	36.48375	36.60125	35.40000	37.42625	37.65000
HKD	3.97625	3.99000	3.91000	4.03625	4.11000
MYR			8.95000		10.52000
SGD	22.77125	22.84500	22.61000	23.28625	23.41000
BND			21.80000		23.26000
PHP			0.47000		0.74000
CAD	29.03250	29.12625	28.58000	29.55500	29.66000
AUD	27.61500	27.70375	26.69000	28.14750	28.69000
NZD	21.60500	21.67500	21.41000	22.07000	22.47000
CHF	30.34875	30.44750	30.02000	30.99625	31.11000
DKK	5.27250	5.28875	5.07000	5.36000	5.40000
NOK	4.90500	4.92125	4.72000	4.99375	5.04000
SEK	4.18625	4.20000	4.03000	4.26375	4.31000
EUR	39.18060		38.15000	39.93660	40.12000
CNY			3.70000		4.85000

Source: TMB Capital Markets Group

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