



ธนาคารทหารไทย จำกัด (มหาชน)

TMB BANK PUBLIC COMPANY LIMITED

## Money Market Watch

Capital Markets Group

3 September 2010

### FX Market

- **The Dow Jones industrial average added 50.63 points, or 0.49 percent, to 10,320.10 on low volume** as data showed improvement in housing and the job market a day ahead of the critical monthly payrolls figures.
- **Euro rose 0.1 percent against dollar**, supported by healthy results at Spanish and French bond auctions and stable global equities but investors remained cautious ahead of a key reading on the U.S. labor market today.
- **The dollar fell 0.4 percent to 84.14 yen and depreciated 0.1 percent to \$1.2821 per euro** after pending U.S. home sales unexpectedly rose, signaling the housing market may start to stabilize and boosting investor appetite for higher-yielding assets.
- **USD/THB slightly slipped to 31.15 in thin trade. USD/THB barely moves after** high-level emergency meeting between Thai prime minister, finance minister, Bank of Thailand governor to discuss recent THB strength. The meeting has no adverse impact on the THB. The finance minister said the strong THB is in line with regional peers and BOT has not detected any speculation. The central bank has enough tools to cope if speculation is seen. Pair is expected to 31.08-31.20 today.

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Fig 1 Currency Prices

Currency	Close	High	Low	Note
USD Index	82.461	82.47	82.40	
EUR/USD	1.2826	1.2848	1.2777	
USD/JPY	84.27	84.54	84.03	
GBP/USD	1.5390	1.5455	1.5352	
AUD/USD	0.9109	0.9121	0.9057	
USD/THB	31.15	31.21	31.16	

Source: Reuters, TMB Capital Markets Group

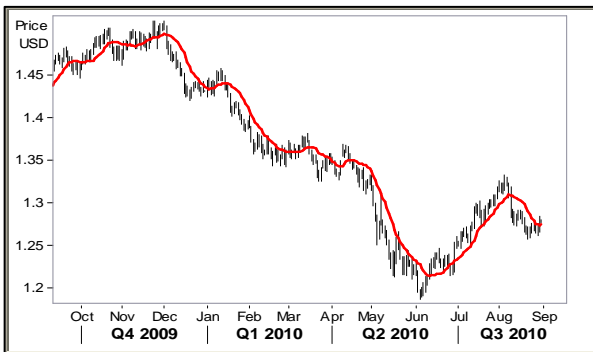
**Additional Information**

**Fig 2 Key Economic Indicators**

Date	Event	Forecast	Result	Previous	Note
2-Sep	US Jobless clms	475K	472K	478K	

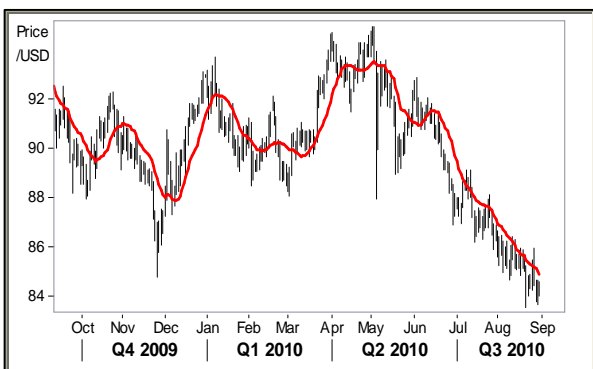
Source: Reuters

**Fig 3 Daily Chart of EUR/USD**



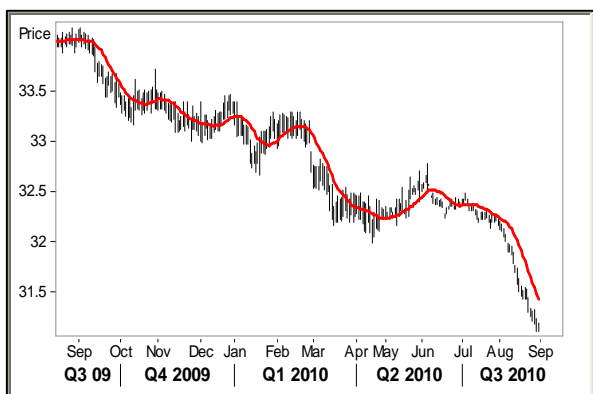
Source: Reuters

**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	2 Sep 10	10,320.10	0.49
FTSE	2 Sep 10	5,371.04	0.09
Nikkei	2 Sep 10	9,062.84	1.52
Hang Seng	2 Sep 10	20,868.92	1.19
SET	2 Sep 10	920.54	0.13

Source: Reuters

**Fig 6 Key Resistance and Support Technical Levels**

Level	USD/THB	USD/JPY	EUR/USD
R3	31.30	85.20	1.2920
R2	31.25	84.90	1.2890
R1	31.20	84.60	1.2860
S1	31.08	84.00	1.2770
S2	31.03	83.70	1.2740
S3	30.98	83.40	1.2710

Source: TMB Capital Markets Group

**Fig 8 Forward Points (Satang)**

Level	USD/THB	JPY/THB	EUR/THB
1m	1.40 / 2.80	0.01 / 0.06	-0.40 / 5.40
3m	4.75 / 7.75	0.07 / 0.15	3.20 / 11.20
6m	11.00 / 14.00	0.17 / 0.29	8.20 / 20.40

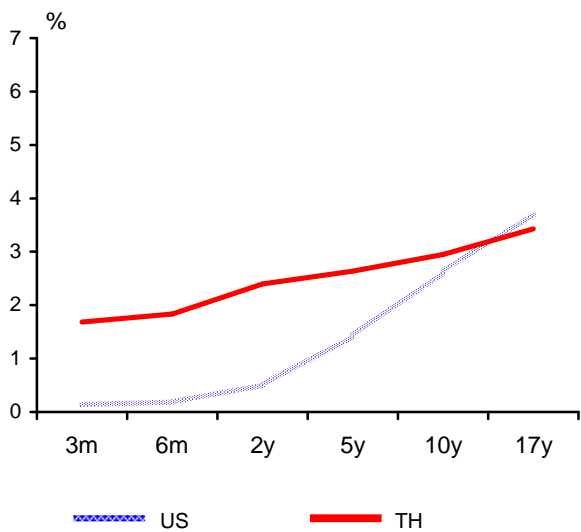
Source: Reuters, TMB Capital Markets Group

## Local Bond Market

- **Yesterday, yield of government bond were little changed in quiet trade** due to no new factor. Some trading in 3-6 years tenor. Closing yielded of government bond move in range -2 to +2 bps across the curve.
  
- **Result of Central bank bond auctions were at**
  - a) avg 1.56552% 14days tenor amount THB 80,000 MB with a BCR of 1.50
  
- **Today auction will take place for 1 type of Central bank bond :**
  - a) 1.56%-1.58% expected for 14 days tenor amount THB 70bio.

### 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	1.685	3m	0.137
6m	1.833	6m	0.188
2y	2.400	2y	0.502
5y	2.640	5y	1.428
10y	2.950	10y	2.625

Source: Reuters

**Fig 11 Daily Volume of Bond Market Activity**

Type of Bond	Volume (Btm)
Treasury Bill	939
Government Bond	11,077
State Agency Bond (BOT)	102,612
State Enterprise Bond	149
Corporate Bond	306

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>	2-Sep	<u>7-Sep</u>	<u>9-Sep</u>	<u>7-Sep</u>
3-Nov	1-Dec	<u>7-Oct</u>	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	2,104.0	2.21
Copper	tonne	7,625.0	1.13
Gold	ounce	1,250.5	0.40
Oil	barrel	75.02	-2.69
Rubber	baht/kg	106.1	0.47

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

6-Sep-10	1m	2m	3m	6m	12m
USD	0.27064	0.29512	0.31600	0.50540	0.86200
SGD	0.37500	0.43750	0.50000	0.62500	0.77083

Source: Reuters

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

Value Date

6-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	0.57363	0.67125	0.82875	1.10525	1.38800
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	30.90000	31.00000		31.25000	
DENO.\$ : 1-2			29.87000		31.39000
DENO.\$ : 5-20			30.34000		31.39000
DENO.\$ : 50-100			30.73000		31.39000
EUR	39.46240	39.59010	38.43000	40.22190	40.41000
GBP	47.43750	47.59000	46.33000	48.28750	48.82000
JPY : 100	36.40125	36.51875	35.32000	37.34250	37.56000
HKD	3.96750	3.98125	3.91000	4.02750	4.10000
MYR			8.97000		10.56000
SGD	22.83250	22.90625	22.67000	23.35125	23.48000
BND			21.88000		23.36000
PHP			0.48000		0.74000
IDR : 1000					
CAD	29.25000	29.34375	28.80000	29.78000	29.89000
AUD	28.03500	28.12625	27.10000	28.57250	29.12000
NZD	21.98750	22.05875	21.79000	22.45625	22.86000
CHF	30.34750	30.44500	30.01000	30.99625	31.11000
DKK	5.30000	5.32625	5.10000	5.39875	5.44000
NOK	5.01125	5.02750	4.82000	5.10250	5.15000
SEK	4.25000	4.26375	4.09000	4.32875	4.37000
KRW			0.02179		0.03700
EUR	39.46240	#	38.43000	40.22190	40.41000

Source: TMB Capital Markets Group

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