



ธนาคารทหารไทย จำกัด (มหาชน)

TMB BANK PUBLIC COMPANY LIMITED

Money Market Watch

Capital Markets Group

6 September 2010

FX Market

- **U.S. stocks rose 1.23%, snapping three weeks of declines**, as better- than-estimated growth in private employment and manufacturing raised optimism the economy will avoid a recession.
- **The euro rose to 1.2896 for a fourth day against the dollar on Friday**, the longest winning streak in five weeks, as U.S. Labor Department data showed payrolls that exclude government jobs climbed by 67,000 positions.
- **The dollar fell 1.1 percent to 84.31 yen on Friday**, from 85.22 yen on Aug. 27, in its third straight weekly drop, the longest slide in two months.
- **The dollar fell against most of their major counterparts** after data showing growth in economies from China to the U.S. boosted demand for higher- yielding assets.
- **USD/THB nudges higher to 31.16 vs 31.15 late Friday in Asia** on suspected heavy intervention from Bank of Thailand after pair slipped to 31.13 early though trade otherwise thinning out as market becomes cautious after central bank says it may use certain measures, if necessary, to stem THB's rapid rise. Support this week tipped at 31.00, resistance at 31.30.

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Fig 1 Currency Prices

Currency	Close	High	Low	Note
USD Index	82.068	82.13	82.02	
EUR/USD	1.2893	1.2897	1.2811	
USD/JPY	84.30	85.22	84.18	
GBP/USD	1.5445	1.5468	1.5393	
AUD/USD	0.9166	0.9175	0.9070	
USD/THB	31.17	31.19	31.12	

Source: Reuters, TMB Capital Markets Group

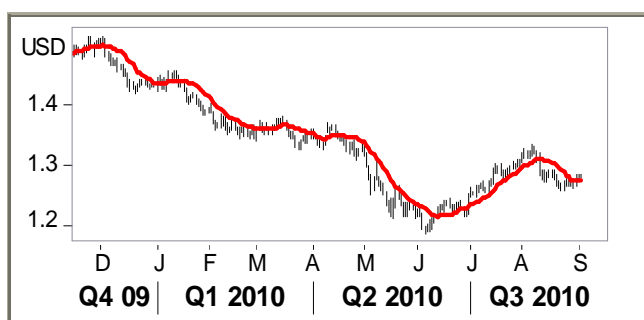
Additional Information

Fig 2 Key Economic Indicators

Date	Event	Forecast	Result	Previous	Note
3-Sep	Non-Farm Payrolls	-100	-54	-131	k
	Manufact Payrolls	+10	-27	+36	k
	Unemployment	9.6	9.6	9.5	%

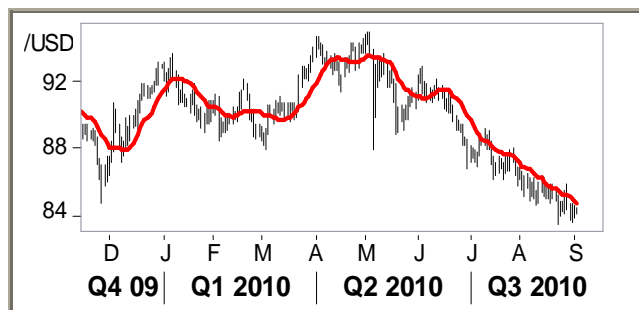
Source: Reuters

Fig 3 Daily Chart of EUR/USD



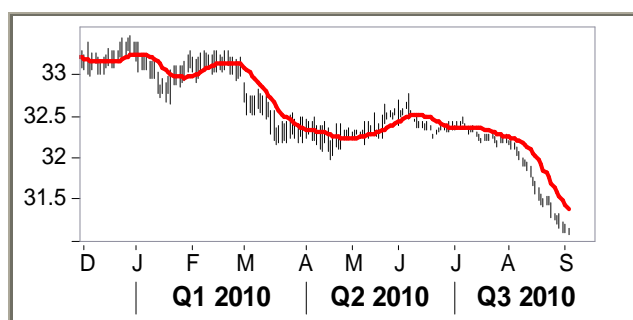
Source: Reuters

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	3 Sep 10	10,447.93	1.24
FTSE	3 Sep 10	5,428.15	1.06
Nikkei	3 Sep 10	9,114.13	0.57
Hang Seng	3 Sep 10	20,971.50	0.49
SET	3 Sep 10	929.90	1.02

Source: Reuters

Fig 6 Key Resistance and Support Technical Levels

Level	USD/THB	USD/JPY	EUR/USD
R3	31.25	85.09	1.2935
R2	31.20	84.71	1.2909
R1	31.15	84.55	1.2894
S1	31.05	84.17	1.2868
S2	31.00	83.96	1.2857
S3	30.95	83.58	1.2831

Source: TMB Capital Markets Group

Fig 8 Forward Points (Satang)

Level	USD/THB	JPY/THB	EUR/THB
1m	1.25 / 2.50	0.01 / 0.06	-0.70 / 5.00
3m	4.75 / 7.25	0.07 / 0.14	3.00 / 10.30
6m	10.75 / 13.50	0.17 / 0.28	7.00 / 18.90

Source: Reuters, TMB Capital Markets Group

Local Bond Market

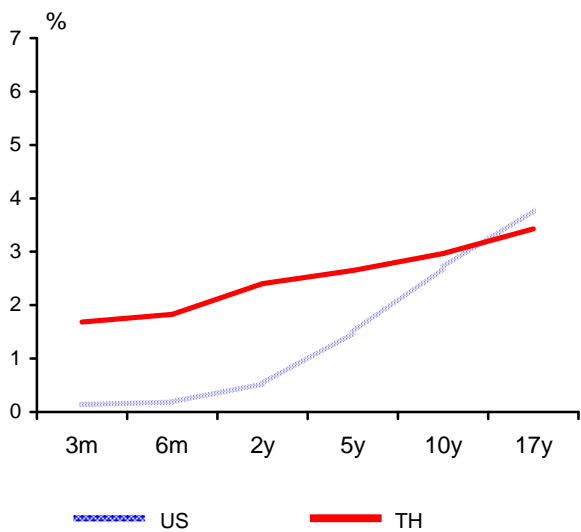
- Last Friday, yield of government bond were little higher in thin trade. Recent sharp gains inspires mild profit-taking in medium term tenors. Closing yielded of government bond move higher around 0-2 bps across the curve.

- Result of Central bank bond auctions were at
 - a) avg 1.57970% 14 days tenor amount THB 70bio with a BCR of 1.28

- Today auction will take place for 3 types of T-bill
 - a) 1.58%-1.60% expected for 1month amount THB 3bio.
 - b) 1.67%-1.69% expected for 3month amount THB 3bio.
 - c) 1.82%-1.85% 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	1.686	3m	0.137
6m	1.830	6m	0.183
2y	2.403	2y	0.527
5y	2.652	5y	1.485
10y	2.966	10y	2.702

Source: Reuters

Fig 11 Daily Volume of Bond Market Activity

Type of Bond	Volume (Btm)
Treasury Bill	661
Government Bond	3,657
State Agency Bond (BOT)	99,155
State Enterprise Bond	20
Corporate Bond	317

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	2,128.0	1.14
Copper	tonne	7,631.0	0.08
Gold	ounce	1,247.9	-0.31
Oil	barrel	74.60	0.00
Rubber	baht/kg	107.7	0.00

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

9-Sep-10	1m	2m	3m	6m	12m
USD	0.27064	0.29512	0.31600	0.50540	0.85800
SGD	0.37500	0.43750	0.50000	0.62500	0.77083

Source: Reuters

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

Value Date

9-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	1.10650	1.38925
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	39.64160	39.76990	38.60000	40.40310	40.59000
GBP	47.54500	47.69875	46.43000	48.39750	48.93000
JPY : 100	36.37125	36.48875	35.30000	37.31125	37.53000
HKD	3.96875	3.98250	3.91000	4.02875	4.10000
MYR			8.99000		10.59000
SGD	22.88000	22.95375	22.72000	23.40000	23.53000
BND			21.94000		23.42000
PHP			0.48000		0.75000
IDR : 1000					
CAD	29.63125	29.72750	29.17000	30.17000	30.28000
AUD	28.17750	28.26875	27.23000	28.71625	29.27000
NZD	22.15125	22.22375	21.96000	22.62250	23.03000
CHF	30.22875	30.32625	29.90000	30.87375	30.98000
DKK	5.33375	5.35125	5.13000	5.42375	5.46000
NOK	5.04000	5.05625	4.85000	5.13125	5.18000
SEK	4.26500	4.27875	4.10000	4.34375	4.39000
KRW			0.02190		0.03700
EUR	39.64160	#	38.60000	40.40310	40.59000

Source: TMB Capital Markets Group

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