



ธนาคารทหารไทย จำกัด (มหาชน)

TMB BANK PUBLIC COMPANY LIMITED

Money Market Watch

Capital Markets Group

7 September 2010

FX Market

- **Equity markets rose, and USD dipped on Monday** after U.S. payrolls data last week, which showed far fewer jobs lost than expected, eased market anxiety over the chances of a global slowdown. Meanwhile, trade was subdued with U.S. markets closed for the Labor Day holiday.
- **A better Risk sentiment boosted demand for growth-linked currencies** such as the EUR which rose to \$1.2918, its highest since Aug. 12, helped by Asian central banks, excluding Japan, converting dollars into euros after they intervened to rein in gains in their own currencies against the greenback.
- **The dollar also ceded ground against the yen, dropping 0.1 percent to 84.22 yen**, and looked set to test a 15-year low against the yen at 83.58 after U.S. jobs data added to greater appetite. Meanwhile, Japanese exporter offers also capped gains in the dollar, with sell orders in the 84.50-85.00 yen region.
- **The Thai baht gained nearly half of a percent to 31 per dollar**, a 30-month high, despite dollar-buying intervention by Bank of Thailand. USD sell-off is broad-based in Asia after positive non-farm payroll eased market anxiety over a chance of global slowdown and boosted demand for emerging market assets. If 31.10 is breached, the next resistance is set at 31.00.

FX Market Contributors

Warapong Ruangpat

0 2230 5333 warapong.rua@tmbbank.com

Skarin Srichansook

0 2230 5888 skarin.sri@tmbbank.com

Bond Market Contributors

Anongpat Kingchar

0 2230 5693 anongpat.kin@tmbbank.com

Valairat Limpasuwanna

0 2230 5692 valairat.lim@tmbbank.com

Fig 1 Currency Prices

Currency	Close	High	Low	Note
USD Index	82.313	82.44	82.31	
EUR/USD	1.2871	1.2916	1.2869	
USD/JPY	84.17	84.48	84.07	
GBP/USD	1.5391	1.5487	1.5350	
AUD/USD	0.9168	0.9179	0.9154	
USD/THB	31.16	31.16	31.09	

Source: Reuters, TMB Capital Markets Group

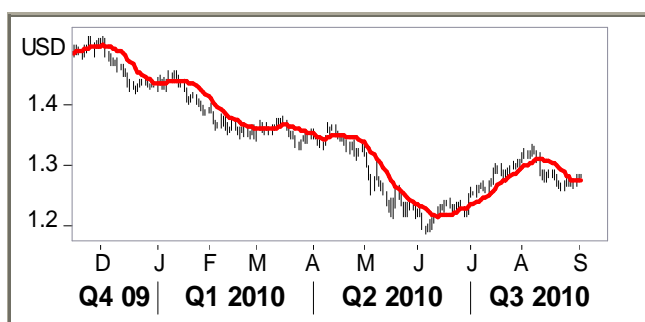
Additional Information

Fig 2 Key Economic Indicators

Date	Event	Forecast	Result	Previous	Note
6-Sep	Nothing				

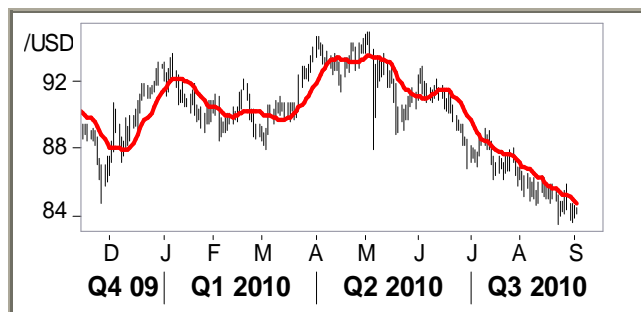
Source: Reuters

Fig 3 Daily Chart of EUR/USD



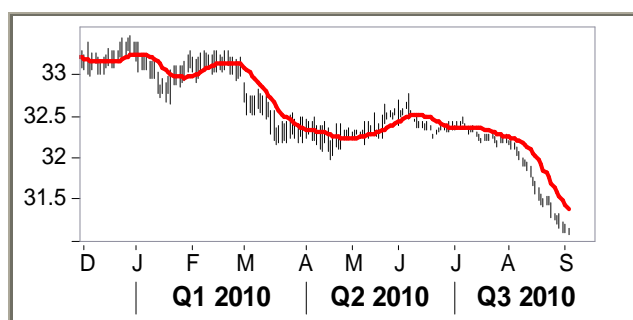
Source: Reuters

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	6 Sep 10	5,439.19	0.20
Nikkei	6 Sep 10	9,301.32	2.05
Hang Seng	6 Sep 10	21,355.77	1.83
SET	3 Sep 10	931.52	0.17

Source: Reuters

Fig 6 Key Resistance and Support Technical Levels

Level	USD/THB	USD/JPY	EUR/USD
R3	31.35	84.53	1.3003
R2	31.30	84.36	1.2915
R1	31.25	84.29	1.2864
S1	31.15	84.12	1.2776
S2	31.10	84.02	1.2739
S3	31.05	83.84	1.2651

Source: TMB Capital Markets Group

Fig 8 Forward Points (Satang)

Level	USD/THB	JPY/THB	EUR/THB
1m	1.40 / 2.80	0.01 / 0.07	-0.50 / 5.40
3m	4.75 / 7.50	0.07 / 0.14	3.00 / 10.60
6m	10.50 / 13.50	0.16 / 0.28	6.80 / 18.90

Source: Reuters, TMB Capital Markets Group

Local Bond Market

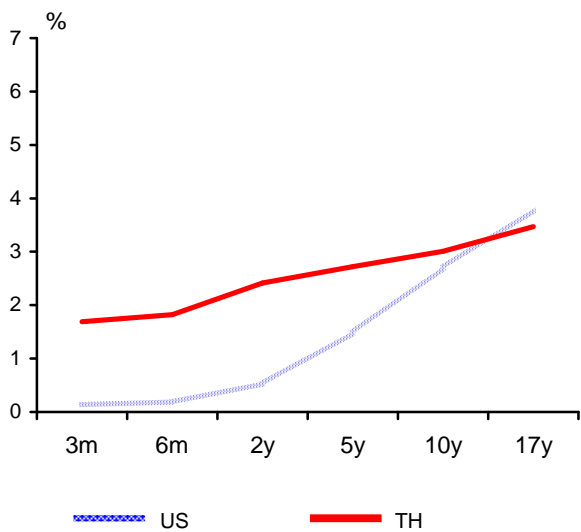
- **Yesterday, yield of government bond rose, tracking Friday U.S. Treasury** after better-than-expected jobs report also weighing. Closing yield of government bond move higher around 1-9 bps across the curve.

- **Result of T-bill bond auctions were at**
 - a) avg 1.57970% 1mth. tenor amount THB 3bio with a BCR of 5.46
 - b) avg 1.67845% 3mth. tenor amount THB 3bio with a BCR of 5.95
 - c) avg 1.80333% 6mth. tenor amount THB 3bio with a BCR of 6.41

- **Today auction will take place for 3 types of Central Bank Bond**
 - a) 1.58%-1.60% expected for 1month amount THB 22bio.
 - b) 1.68%-1.70% expected for 3month amount THB 15bio.
 - c) 1.80%-1.83% expected for 6month amount THB 12bio.

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	1.688	3m	0.137
6m	1.821	6m	0.183
2y	2.412	2y	0.527
5y	2.722	5y	1.485
10y	3.009	10y	2.702

Source: Reuters

Fig 11 Daily Volume of Bond Market Activity

Type of Bond	Volume (Btm)
Treasury Bill	7,333
Government Bond	4,266
State Agency Bond (BOT)	18,626
State Enterprise Bond	20
Corporate Bond	416

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	2,148.0	0.94
Copper	tonne	7,660.0	0.38
Gold	ounce	1,248.7	0.06
Oil	barrel	74.60	-3.59
Rubber	baht/kg	107.7	-0.09

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

10-Sep-10	1m	2m	3m	6m	12m
USD	0.27064	0.29310	0.31500	0.50100	0.85200
SGD	0.37500	0.43750	0.50000	0.62500	0.77083

Source: Reuters

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

Value Date

10-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	0.57231	0.67125	0.82625	1.10400	1.38675
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	30.97000	31.07000		31.32000	
DENO.\$: 1-2			29.94000		31.51000
DENO.\$: 5-20			30.41000		31.51000
DENO.\$: 50-100			30.80000		31.51000
EUR	39.47440	39.60180	38.44000	40.23370	40.42000
GBP	47.39625	47.54875	46.29000	48.24625	48.78000
JPY : 100	36.55750	36.67500	35.48000	37.50250	37.72000
HKD	3.98000	3.99250	3.92000	4.03875	4.11000
MYR			8.98000		10.57000
SGD	22.88250	22.95625	22.72000	23.40125	23.53000
BND			21.97000		23.45000
PHP			0.48000		0.75000
IDR : 1000					
CAD	29.75875	29.85375	29.30000	30.30000	30.41000
AUD	28.21625	28.30750	27.27000	28.75500	29.31000
NZD	22.23000	22.30125	22.03000	22.70125	23.11000
CHF	30.47875	30.57750	30.14000	31.13125	31.24000
DKK	5.31125	5.32750	5.11000	5.40000	5.44000
NOK	5.02500	5.04125	4.83000	5.11625	5.16000
SEK	4.24875	4.26250	4.09000	4.32750	4.37000
KRW			0.02190		0.03700
EUR	39.47440	#	38.44000	40.23370	40.42000

Source: TMB Capital Markets Group

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