



THE SET Newsletter

RASA plans business expansion and joins the Thai capital market



Rasa Property

Despite a moderate economic growth outlook for the latter half of 2007, Rasa Property Development PCL (RASA), a property developer in Thailand's niche market, recently raised funds through the Thai capital market for business expansion.

The company will use the funds raised from the listing in The Stock Exchange of Thailand's Property Development Sector for the firm's new housing and condominium projects to be launched in the market late this year.



Thai derivatives exchange prepares to launch SET50 Index Options in Q3/2007

In preparation for the introduction of SET50 Index Options as a strategic investment and risk management tool in Q3/2007, Thailand Futures Exchange (TFEX) is strengthening its international network, and promoting a better understanding of the product amongst investors and the general public.

TAIFEX and TFEX build international collaboration

On April 9, 2007, Taiwan Futures Exchange (TAIFEX) and TFEX announced the signing of a Memorandum of Understanding (MOU) to reinforce mutual cooperation and development. The agreement establishes a channel for operational information exchange and opportunities for business cooperation, thus enhancing the liquidity, efficiency and integrity of both markets.

"The signing of the MOU is an important step for TFEX in strengthening our already fruitful relationship with TAIFEX. We are pleased to work together to capitalize on opportunities that will advantage investors in both markets," TFEX Chairman Mr. Vijit Supinit said.



"We are honored to have this agreement with TAIFEX, a leading market with an impressive performance. Based on this MOU, TFEX and TAIFEX have already discussed a framework for future collaboration, starting with a co-educational project on SET50 Index Options. As TAIFEX is one of the world leaders in index options, it would be beneficial to learn from their success and to adapt their strategies to the Thai market," TFEX Managing Director Ms. Kesara Manchusree added.

"Exchanges are facing unprecedented global challenges, particularly in the area of market integration and organizational

change. As a result, international collaboration and strategic alliance have become urgent issues for exchanges to tackle. This MOU provides a platform for TFEX and TAIFEX to share their experience, explore opportunities for cooperation and meet these challenges." TAIFEX Chairman Dr. Rong-I Wu said.

TFEX educates the market about SET50 Index Options

In preparation for the launch of additional derivatives products, TFEX, with the support of SET and Thailand Securities Institute, is working with market participants to educate them about futures and options trading. The Exchange's educational outreach program, covering Bangkok and the major provinces of Chiang Mai, Songkhla and Khon Kaen, will familiarize experienced and novice investors with derivatives trading.



The most recent seminar, held at the Faculty of Economics, Chiang Mai University, on April 28, attracted over 480 people from Chiang Mai province and nearby areas. The

occasion provided consultation with investment experts and featured derivatives trading training, workshops, tips and techniques.

"The Chiang Mai event gave participants an opportunity to try virtual trading of futures and options in an online game – the TFEX Futures Camp Challenge. The Challenge is a simulation-based learning approach featuring futures and options trading, which develops the knowledge and skill of participants in preparation for real trading. The first round of the online game will take place during May 14 – 25. Anyone who wants to join the Challenge and win a total prize of THB 100,000 can register at www.tfex.co.th," Ms. Kesara added.

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Thai capital market organizations share insights on market revival

Amid the political and economic changes affecting stock market sentiments, the Federation of Thai Capital Market Organizations (FeTCO) hosted a forum bringing together market practitioners to share their insights and suggestions on how to strengthen market resistance to domestic and international turbulence, and the capital market's key role as an driver of Thailand's long-term economic development.

Held on May 3, the forum began with a keynote address, "Views of the Thai economy: reflections from the capital market," given by The Stock Exchange of Thailand (SET) Chairman Mr. Vijit Supinit. It was followed by a panel discussion on "The Thai economy and capital market before the general election." The event drew a large crowd of investors and interested people from private and public sectors to the SET Building.

SET Chairman: "Thai economy will revive after a temporary economic slide"

Economic fundamentals remain sound, as evidenced by indicators such as export value, which stands at a record THB 13 billion (approx. USD 372.76 million), ample loan liquidity, almost-zero unemployment, and a trade and current account surplus since August 2006. It is also noteworthy that, in March 2007, the current account surplus was USD 2.2 billion; however, this is not an entirely positive result if it denotes little or no spending, Mr. Vijit noted.



Mr. Vijit Supinit

"The Thai economy is going to move upward after an economic slide. This downturn was due to a lack of confidence and funds, as economic growth of 3% needs exports, government expenditure and financial drive. The export sector has been expanding well, at about 20%, but government and financial sectors have to react more quickly. We need more government expenditure, which would prompt the private sector to invest. Then the economy will expand and spending increase as the multiplier effect kicks in," Mr. Vijit said.

"Concerning the financial sector, a 5% growth in loans is too low and should expand in line with exports and government expenditures, especially given the increased infrastructure investment. If the financial sector is stalled, the economy cannot expand smoothly.

"Stock investment has been affected by sluggish economic conditions. However, investment by institutions remains constant, as the market price-earning ratio is quite low," he continued.

"The government has been on the right track, but they must turn policy into action, and when the economy hits rock bottom, they have to move fast. With support from the

financial sector, everything should go smoothly," the SET chairman concluded.

Government should undertake proactive measures to boost economy

Taking part in the panel discussion were Dr. Kongkiat Opaswongkarn, FeTCO Chairman; Mr. Prasert Bunsumpun, President of PTT PCL; Dr. Supavud Saicheua, Managing Director (Head of Research Group) of Phatra Securities PCL; and Mr. Visit Tantisunthorn, Secretary-General of the Government Pension Fund.

"The continued economic slowdown and an unclear political situation have damaged investor and entrepreneur confidence in Thailand, resulting in a sluggish market. To restore the confidence from investors and other capital market-related parties, the government should enact policies which boost investment in the capital market and develop the country's long-term economic growth. Meanwhile, the private sector has to be alert. Once the Thai economy begins to grow in a sustainable fashion, entrepreneurs and investors will increase," FeTCO Chairman Dr. Kongkiat Opaswongkarn said, during the discussion panel session.



Dr. Kongkiat also recommended state agencies support the establishment of the Vayupak-2 Fund, the National Pension Fund (NPF) and the Deposit Insurance Agency; introduce tax incentive policies to promote stock investment, and amend the Securities and Exchange Act.

Dr. Supavud agreed that the government should employ a clearer national policy framework, or Thai economy might become more sluggish due to lack of confidence. In addition, the Foreign Business Act to be introduced will show the government's standpoint about foreign investment in Thailand.

"The current short-term economic slowdown has been mainly caused by worries over local political uncertainties. Nevertheless, national economic fundamentals remain strong. PTT PCL, as a large firm with a strategic long-term vision, has continued to expand its business horizons in international markets to meet the increasing demand in the next 20-30 years," Mr. Prasert said.

Mr. Visit added that Government Pension Fund, as the largest institutional investor in Thailand with over 1.2 million members, plans to maintain its investment weightings in Thai stocks. It will also increase its investments in low-risk debt securities and in overseas markets, such as Singapore, Malaysia, Hong Kong and China. 

Thai bourse urges all listed firms to have investor relations units by 2009

The Stock Exchange of Thailand (SET) and Thailand Investor Relations Club (TIRC) are together promoting corporate governance by encouraging all listed companies to set up investor relations (IR) units and become TIRC members by 2009. At the very least, they should appoint a person responsible for IR by that date, said SET Executive Vice President Mr. Suthichai Chitvanich.



Mr. Suthichai Chitvanich

“IR is very important, as its task is to contact and communicate essential information to retail and institutional investors, securities analysts, and the media. The communication should build good relationships with shareholders and enhance the image of the companies.

In the longer run, IR should help stock prices to be more stable and better reflect their fair value. This will be useful for fundraising needs and is a direct gain from IR work,” Mr. Suthichai said.

He added that promoting corporate governance and IR among listed companies is part of SET’s three-year strategic plan, which runs from 2007–2009. SET will collaborate with TIRC in promoting IR and assisting listed firms in setting up IR units. SET and TIRC will organize training and skill development activities, such as seminars and workshops, and hold meetings as venues for advising the firms about IR development. SET will also provide financial support and act as the club’s liaison with experts in the field.

TIRC’s President Mr. Naris Cheykin said, “This year’s focus will be on SET100 companies and firms that listed for the first time in 2006. SET100 companies are the focus of

attention for local as well as foreign investors, while the new listings have the potential to run their IR work efficiently from the beginning if advised appropriately. In addition, SET has initiated its IR Promotion Project by hiring a consulting firm, Churchill Pryce Capital (Thailand), to study and analyse IR activities of the firms ranked in the second half of the SET 100 Index, as most companies in the first half have already conducted their IR work.”



Mr. Naris Cheykin

“Firstly, three companies in SET100 will be selected as samples. The consulting firm will advise them on how to systematically devise IR plans and implement activities. The test period will be three months and is free of charge. Therefore, TIRC would like to encourage firms to

actively participate in providing information to the consultant. SET will be sending out letters to the selected companies about this project by the end of April,” he said.

The TIRC president added that SET and TIRC will organize an IR course designed and conducted by Churchill Pryce Capital. It is expected that representatives from all listed firms will attend the free-of-charge course during August – September 2007. In addition, TIRC is also lobbying for the inclusion of IR in the Thai Institute of Directors Association’s course for the directors and top-level executives.

Updates and further information about IR is available at www.thaiirclub.com, www.set.or.th, or contact SET Call Center at (66) 2229 2222. ✍

■ ■ ■ Experiences about investor relations (IR)

“International Research Corporation PCL (IRCP) has long emphasized the importance and benefits of IR. It helps enhance the company’s communications and networking with shareholders, securities analysts, mutual fund managers, and other related parties. They can reach us conveniently through our IR unit. This enables all parties to gain the corporate information transparently and equitably. IR thus helps add shareholder value and build the company’s credibility in the eye of the market and the public,” said Mr. Montree Tirakothai, IRCP’s Chief Operating Officer.

“Some might underestimate the significant role of IR and think IR development is a waste of resources. Yet I personally think otherwise. It’s not only large companies that benefit from IR, but small- and medium- sized firms as well. More interestingly, the smaller the firm is, the fewer resources will be spent. So why not?” Mr. Montree noted.



Mr. Montree Tirakothai

Ms. Pannalin Mahawongtikul, Vice President, Capital Market & Investor Relations, PTT PCL (PTT), shared her experience as a part of the company's success in creating its widely-recognized effective IR practice. She said the key factors that bring about effective IR activities are:

- ★ Accurate, complete information, disseminated in a timely and transparent manner;
- ★ Awareness by directors and management of the importance of maintaining open channels of communication with the investment community; and
- ★ A strong team of professional IR staff who act as an intermediary between the company and market participants.

"Communicating with investors requires balancing the desire to be open and communicative on one hand while also being impartial and in compliance with regulatory disclosure requirements on the other.

"IR staff must provide investors, analysts and shareholders with the firm's corporate information, yet also channel their suggestions, advice and concerns to the company's management. This will enhance the management's strategic policymaking and eventually better attract market interest in the firm," she said.



Ms. Pannalin Mahawongtikul


Thai bourse adjusts regulations to prepare for equity ETF

The Stock Exchange of Thailand (SET)'s Board of Governors resolved on April 25, 2007 to amend its rules to facilitate the listing and trading of equity exchange-traded funds (ETFs). Specifically, the amendments deal with short-selling and the need for a market-maker to ensure the liquidity, appeal and success of the product.

The changes include a requirement for a listed equity ETF to have a market-maker, to lessen both the fund discount problem and the spread between the highest bid and offer. Where the spread is too wide, an investment management firm approved by SET will define the gap scenarios.

An equity ETF can also be sold short. Participating dealers can send basket orders without specifying the value per basket. The use of program trading will be allowed provided the particular program used has been approved by SET.

The rules will be flexible to allow the full development and success of ETFs in Thailand, and equity ETFs in the Thai market.

In the near future, SET will consult with member companies and relevant parties and then seek approval from the Securities and Exchange Commission. 

Thai bourse acts on firms that miss deadline for financial statements

The Stock Exchange of Thailand (SET)'s Board of Governors on April 25, 2007 refined its process for dealing with companies unable to complete their financial statements by the deadline specified by the Securities and Exchange Commission (SEC). Such non-compliance will now be a criterion for delisting.

SET's Board resolved that, as of May 2, 2007, listed firms that have been ordered by SEC to amend their financial statements by a specific date (including any extensions granted) may be subject to delisting if they have not resolved their problems within 30 days past SEC's deadline.


The Exchange will announce that companies not complying with SEC deadlines are in danger of being delisted. SET will also post "NC" (non-compliance) and "SP" (suspension) signs on their securities and halt their trading. The firms will have another 180 days after this announcement to submit properly adjusted financial statements. If they fail to do so, SET will announce the delisting but allow their securities to resume trading for 30 days prior to the delisting date.

To avoid being delisted, companies must adjust their financial statements as per SEC's order and submit them by

the deadline for two consecutive periods. An auditor must approve the adjusted statements as conforming to generally-accepted accounting principles (GAAP). Also, the auditor must not make a disclaimer or express an opinion which notes restrictions on the auditor's ability to carry out the audit.

The above measure is similar to the existing SET regulation concerning the delisting of firms that submit financial statements after the 180-day deadline.

Financial statements are material information essential for making investment decisions. Late submission or inaccurate information may be a negative indicator of the firm's performance, financial status or internal operation, any of which may affect investors. Consequently, this new requirement reflects SET's mission to benefit and protect the rights of investors.

However it should be noted that, in 2006, nearly all listed companies submitted their financial statements on time and without any requirement for adjustment. SEC ordered only 1% of listed firms to amend their financial statements. 

Rasa Property Development PCL.



Ms. Acharaporn Siriphaivan
Managing Director



Ms. Acharaporn shared her view about the current booming condominium industry. “Condominium buyers and house buyers are from different target groups. Despite the current huge demand for condominiums in the heart of the city, many still want to buy houses. In my opinion, a condominium is more like a substitute for a car. New graduates who want to have a convenient life in the city are likely to make a purchasing decision: either to buy a car or a condominium. A condominium is thus mainly targeted for young and early middle-aged people, rather than those having families who generally want to buy a house,” she noted.

RASA’s financial highlights (in THB million)

| | 2006 | | 2005 | | 2004 | |
|-----------------------|---------------|--------|---------------|--------|---------------|--------|
| Total Revenues | 671.27 | | 431.34 | | 173.83 | |
| - from condominiums | 449.47 | 66.96% | 335.41 | 77.76% | 22.35 | 12.86% |
| - from houses | 218.71 | 32.58% | 92.76 | 21.51% | 140.36 | 80.75% |
| - other revenues | 3.09 | 0.46% | 3.17 | 0.73% | 11.12 | 6.40% |
| Net profits | 40.64 | | 74.24 | | 0.57 | |

RASA’s net profits in 2006 fell 45% year-on-year. This was mainly because the company had to pay over THB 45 million in realized taxes from sales revenue from the Wilshire condominiums. Due to its policy of tax payment, RASA would pay taxes only after the condominium ownership had been transferred to the buyer. In 2006, the company therefore had to pay a large sum of taxes for revenues earned in 2005.

The company plans to use the funds raised to invest in the Rasa Park Lane project, worth THB 613 million (approx. USD 17.58 million), and now under construction. The units will be sold in late 2007. RASA also plans to develop a further condominium project worth over THB 1 billion in the central business area late this year.

Ms. Acharaporn said, “As shown in the company’s 2006 revenue breakdown, the majority of the firm’s revenue came from condominium projects, accounting for approximately 67%. RASA plans to further increase sales from condominiums in the next few years. Nevertheless, the firm will continue to develop housing projects.”

Following the IPO, the principal shareholders in the company are the Pinijchob Group and Ms. Acharaporn Siriphaivan, who hold 38.50% and 22.00%, respectively, of the company’s paid-up capital. RASA’s dividend payment policy is to pay out no less than 40% of its net profit after allocating reserves required by law.

More information on RASA is available on the corporate website at www.rasa.co.th, SET’s website at www.set.or.th or Settrade.com’s website at www.settrade.com.

Rasa Property Development PCL commenced trading on April 12. It listed in The Stock Exchange of Thailand (SET)’s Property & Construction Industry Group, Property Development Sector, after it raised funds worth THB 130 million (approx. USD 3.73 million) for property development in Bangkok’s central business district.

Rasa Property Development’s securities use “RASA” as a trading symbol. Trinity Advisory 2001 Co., Ltd. acted as the firm’s financial advisor.

The company had THB 400 million (USD 11.47 million) in paid-up capital, each share having a par value of THB 5.00. This comprises an existing 60 million ordinary and 20 million capital increase shares. At its initial public offering (IPO) on March 27 – 29, a total of 20 million capital increase shares were sold: 18 million shares to the public and institutions and two million shares to the firm’s patrons, all at THB 6.50 per share.

RASA offers customers uniquely designed residences

RASA has developed single detached house and condominium projects mainly in northern and western Bangkok. Its projects include single detached houses at Pathomporn Garden, Pathomporn Grand Home, Rasa Village, Rasa Spanish Courtyard, and the Wilshire and Wilmore condominiums.

“With over a decade of proven record, RASA has gained trust from all value buyers in a niche market. Each of the firm’s projects is outstanding. Our professional architects and interior designers apply one concept for only one project. The concept used in a previous project will never be copied or reused in any other project. Thus, the customers are assured of the firm’s product differentiation,” said RASA’s Managing Director Ms. Acharaporn Siriphaivan said.

“For example, the Pathomporn Grand Home is designed with a luxury Italian touch. The housing units of the project are like southern European-style houses, having a recreation area brimming with water fountains. This project targets high-end customers with large families who want to be surrounded by spacious tropical gardens. The Rasa Spanish Courtyard is designed with a modern style suitable for small families and located in the heart of the city. Even though they are in prime urban areas, residents will feel private and relaxed with an open Spanish courtyard at the back of the house. The courtyard provides residents with usable outdoor space and a garden view for the whole house,” she added.

Money Expo 2007 showcases a variety of financial services

The 7th 'Money Expo 2007: Sufficient Money – Sufficient Life,' offered visitors a variety of financial and investment-related products and services from 167 participating organizations, including both those in the private and public sectors. These organizations ranged from banks, financial institutions, and capital market organizations to small and medium-sized enterprises (SMEs).

The event, co-hosted by *Money & Banking* magazine and The Stock Exchange of Thailand (SET), was held from May 10–13, 2007 at the Queen Sirikit National Convention Center. Activities at the Money Expo 2007 were divided into three areas:

- **Money Zone** housed comprehensive financial services, such as credit cards, personal credit; loans for homes, SMEs and cars; life insurance/assurance and savings products.
- **Investment Zone** contained capital market services and activities; including SET, Market for Alternative Investment (mai), Bond Electronic Exchange (BEX), Thailand Futures Exchange (TFEX), Agricultural Futures Exchange of Thailand (AFET), Securities and Exchange Commission (SEC), Government Pension Fund and other financial organizations (e.g. securities); investment management and listed companies.
- **SME and Shopping Zone** featured household and premium products from the 'One Tambon, One Product' project. There was also a business start-up 'clinic' and consumer credit from non-banking institutions.

"Among this year's highlights were a range of financial and investment-related products, a selection of consumer goods, SME products, and farm products. Visitors also enjoyed entertaining games and activities, prizes and giveaways, as well as mini-concerts from well-known artists," said Mr. Santi Viriyarungsarit, Editor-in-Chief of *Money & Banking* magazine, and the chairman hosting the fair.

The Securities Analysts Fair 2007 held concurrently with Money Expo on May 11, also proved to be successful. A large number of participants gathered to gain insights and up-to-date information about stock investments from gurus and leading securities analysts in several discussion panels.



The opening ceremony of the Securities Analysts Fair 2007

Approximately 100,000 visitors actively joined the Investment Zone

SET showcased its *Investment Zone* with the theme: "Plan your investment today for better finances tomorrow," where several investment management and securities firms



The inauguration of the 7th Money Expo 2007

presented a wide range of investment choices. Most of the 100,000 visitors to the *Investment Zone* said they were satisfied with services, activities, and information provided. The total purchase of mutual fund investment units during the fair reached a record of THB 768 million (approx. USD 22.02 million), with the weight in favor of fixed-income funds.

"Apparently, investors as well as the general public are looking for opportunities and alternatives to put their money to work and to gain a stronger financial position. There were 1,108 mutual funds accounts opened during the Expo, with a record of THB 768 million in funds," remarked SET President Ms. Patareeya Benjapolchai. "It is noteworthy that people were interested in the fixed-income funds. Some people with high net worth decided to invest THB 20 – 30 million each. There were 3,179 accounts opened for trading securities, showing that people are looking for more diversified choices of savings. Thus the Expo's objective in bringing the financial institutions to meet with clients or service users has been met."

Click2WIN provided hands-on stock-trading experience



Nearly 2,000 investors joined the Click2WIN game

SETTRADE.Com Co., Ltd. (SETTRADE)'s booth highlighting the Click2WIN online stock simulation game drew crowds of both novice and experienced investors. The trial runs of the game, held seven times a day during the Expo, were full, with nearly 2,000 people participating.

"SET Click2WIN: Thailand Stock Simulation is a virtual online investment game for both current and novice investors from all over the country. The program's training, delivered through e-learning, will provide the information and methodology needed to develop quality investors," Ms. Patareeya explained.



15,000 participants gained insights about investment at seminar sessions

The game, which employs real-time information from the market, is Thailand's first online stock game open to anyone and can accommodate well over 10,000 participants. The competition will run for nine weeks, from October 1 to November 30, 2007, and results will be announced in December 2007, according to SETTRADE Managing Director Ms. Chanisa Chutipat.

"Up to 12,000 players are expected to participate in the competition and take chances to win 200 prizes totaling over THB 3 million. Applications to play can be made online at www.settrade.com/click2win from now to September 30, 2007 or through SET call center at (66) 2229 2222," Ms. Chanisa added.

SETTRADE and Thailand Securities Institute (TSI) also organized two seminar sessions on the basics of Internet trading entitled "Internet Trading: Tips for Independent Investing" and "Professional Online Investment."

Thailand Securities Depository Co., Ltd. (TSD), a SET subsidiary, held an activity for a good cause. It invited Mr. Ravit Therdwong, a renowned actor and its latest presenter for e-Dividend service, to paint T-shirts and put them up for auction. Total proceeds raised of THB 64,918 will go to Baan Gerda in Lopburi Province, a home for the care of orphans infected with HIV.

BEX and mai had many visitors and gave away special gifts to people interested in bonds and small capitalization stocks.

Huge demand for investment information shown

Approximately 15,000 people attended 50 seminar sessions free-of-charge during the four-day fair. The seminars covered a variety of interesting subjects for investors at all levels of financial sophistication. Topics included "Investing in the Year of Pig", "Stock-Picking Strategies", "How to Gain from Mutual Funds", "How to Plan Your Savings to Achieve Financial Goals", "Learning to Trade Derivatives", "Know it All Before Trading Options", "Futures Market: An Interesting Alternative", "Equity ETF: An Attractive New Product", and "ETF: A New Frontier for the Thai Capital Market".

Expo visitors purchased SET publications, for which they received a 30% - 50% discount. They also joined TSI in making charitable donations of as much as THB 415,899 in return for receiving SET publications. The total proceeds will go to Duang Prateep Foundation, Phayathai Babies' Home Foundation, Distance Learning Foundation, and Baan Nokkamin Foundation. These donations indicated that there was a strong demand for investment information.



Expo visitors joined TSI's charitable activity



TSD's auction of paintings to help HIV-infected orphans



SET publications booths offered visitors a 30-50% discount

For Thailand Futures Exchange PCL (TFEX), the Expo was a great opportunity to introduce SET50 Index Options to the public at large before the product launch in Q3/2007. A futures and options simulation game — TFEX Futures Camp Challenge 2007 — also attracted numerous applicants.

There was also a huge demand to acquire corporate information of listed companies. Approximately 168,500 copies of 500 listed companies' annual reports in both hard copy and CD-ROM were distributed free-of-charge at the fair. ✍

Thai depository signs MOU with Taiwanese counterpart

To keep pace with the growing and ever-changing global securities depository industry, Thailand Securities Depository Co., Ltd. (TSD) seeks collaboration from its counterparts and operational alliances.

On April 13, TSD and Taiwan Depository and Clearing Corporation (TDCC) signed a memorandum of understanding (MOU) in South Korea during the 9th Conference of CSDs. The MOU provides for information-sharing, cooperative research, depository and clearing operational development and staff exchange.

“TSD is pleased to sign this MOU with TDCC because it not only provides for sharing information and knowledge, but also further strengthens the close ties between our organizations, benefiting investors and the industry in both Thailand and Taiwan. The memorandum will enable staff exchange between TSD and TDCC, enhancing human resource development and mutually benefiting both organizations,” TSD Chief Executive Officer Ms. Sopawadee Lertmanaschai said.



TDCC is a leading securities depository in Asia, with established links with TSD, and both depositories are members of similar international organizations. However, this is the first time the companies have formalized their relationship in an MOU.

“In 2007, TSD will be increasingly proactive, developing systems and services to fulfill the expectations of each customer group, and to better support future market developments, such as ETFs (exchange-traded funds) and cross-border transactions. As part of its strategy of building international collaboration, TSD will this year conclude MOUs with various Asian depositories,” Ms. Sopawadee concluded.

There are 638 TSD members in the securities depository service, 73 in the clearinghouse, 567 in securities registration, 10 in fund registration, and 42 in back-office service. For more information, please visit www.tsd.co.th or call TSD Call Center on (66) 2229 2888, or e-mail contact.tsd@set.or.th.

TSD announces 100% efficiency in clearing and settlement in Q1/2007

Thailand Securities Depository Co., Ltd. (TSD)'s Q1/2007 performance report revealed rated efficiency in clearing and settlement at 99.98%, giving solid grounds for confidence in investing in the Thai market. TSD's active promotion of securities borrowing and lending (SBL) transactions among agencies and institutions holding high amounts of securities led to nearly THB 217.60 million (approx. USD 6.11 million) in SBL transactions in Q1/2007, which resulted in a 70% reduction in clearing and settlement defaults.

“Securities clearing and settlement in Q1/2007 amounted to THB 132.30 billion (approx. USD 3.72 billion), or 17.78% of total securities, worth THB 744.17 billion, traded on the Thai stock market. Meanwhile, there were 148,263 derivatives contracts cleared and settled during the quarter, with a combined value of THB 68.64 billion (approx. USD 1.93 million).

The quarterly report shows that securities depository (combining stocks and bonds depository services since May 2006) embraced a total of THB 5.79 trillion (approx. USD 162.70 billion) in securities deposited, an increase of THB 300 billion from end-2006, or a 5% year-on-year (y-o-y) rise. This was made up of 370.57 billion stocks worth THB 3.39 trillion and 440 government bonds worth THB 2.40 trillion, representing 75.55% of total government bonds for which the Bank of Thailand is presently the registrar. Moreover, TSD persuaded more shareholders to deposit their securities with the company through the accounts of 529 issuers, resulting in THB 91,551.35 million in securities deposited and increased convenience to investors” TSD Chief Executive Officer Ms. Sopawadee Lertmanaschai said.

By end-Q1/2007, TSD was registrar for 522 companies listed on The Stock Exchange of Thailand (SET) and Market for Alternative Investment (mai), totaling a registered worth of THB

5.07 trillion (approx. USD 142.46 billion), and the registrar for 55 bonds worth THB 139.27 billion (approx. USD 3.91 billion). TSD paid out dividends and interest for 185,560 transactions worth THB 10,696 million, with 101,420 transactions or 55% being through the e-Dividend service.

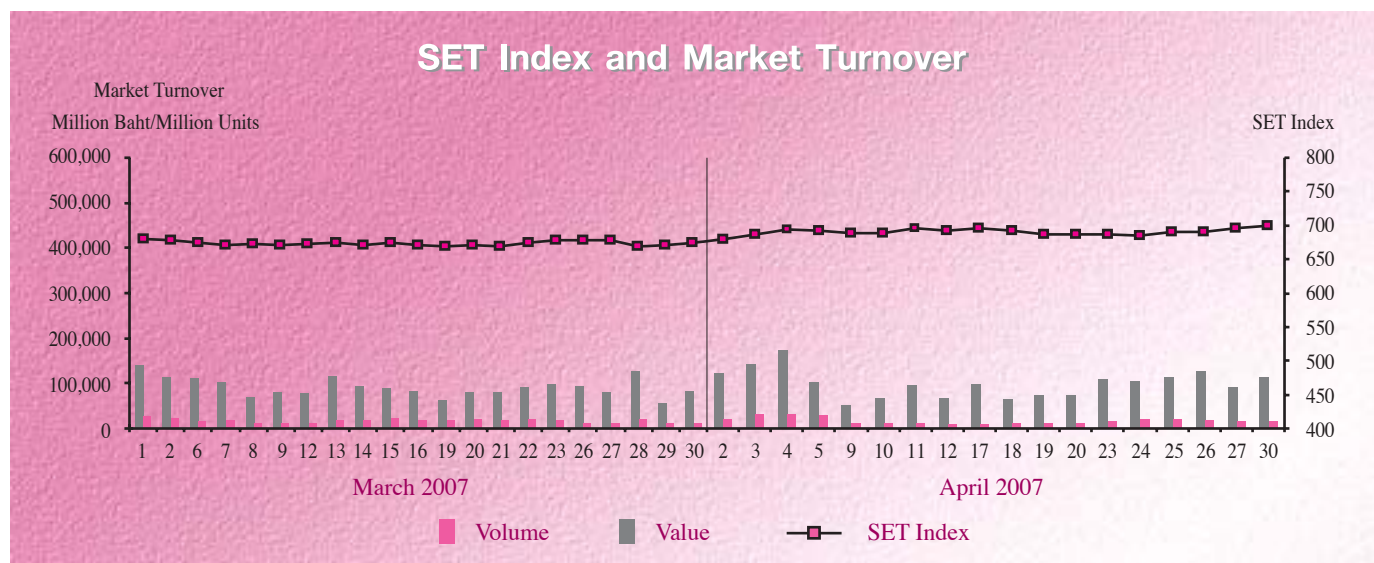
“As a fund registrar, in Q1/2007 TSD provided services for 153 funds, including 93 provident, 24 mutual, 22 retirement mutual and 14 long-term funds, with a total net asset value of THB 105.01 billion (approx. USD 2.95 billion) — a 56% increase over Q1/2006, when it serviced only 98 funds. Broker operation services for securities firms provided comprehensive support for the securities, bond and derivatives markets. Currently, there are 10 securities companies using back-office services for the stock market, eight for the bond market and 24 for the derivatives market”, Ms. Sopawadee added.

Turning to financial performance, TSD recorded THB 185.10 million (approx. USD 5.20 million) in revenue from operations, which is similar to last year's record, with 65% coming from the registrar service, followed by 18.3% from depository service revenue. TSD's quarterly profit was THB 15.6 million, an 18.3% y-o-y decline on Q1/2006's THB 19.1 million.

TSD's operational performance for Q1/2007

Unit: THB million

| | Q1/2007 | Q1/2006 |
|--------------------------------------------|---------|---------|
| Operational revenues | 185.1 | 182.0 |
| Securities registration | 120.5 | 124.6 |
| Fund registration | 7.5 | 6.0 |
| Back office service bureau | 8.2 | 10.3 |
| Securities depository | 33.9 | 30.3 |
| Others | 15.0 | 10.8 |
| Operational expenses (incl. corporate tax) | 169.5 | 162.9 |
| Net profits | 15.6 | 19.1 |



The Stock Price Indices in April 2007

| Index | High (Date) | Low (Date) | Close | |
|---------|---------------|--------------|------------|------------------------------|
| | | | April 2007 | Compared with March 2007 (%) |
| SET | 699.16 (30) | 679.62 (2) | 699.16 | ↑ 3.78 |
| SET50 | 491.97 (30) | 476.62 (2) | 491.97 | ↑ 4.25 |
| SET100* | 1,066.45 (30) | 1,034.67 (2) | 1,066.45 | ↑ 4.10 |
| mai | 208.42 (30) | 195.16 (2) | 208.42 | ↑ 7.52 |

* The SET 100 Index was launched on May 3, 2005.

Stock Market Turnover in April 2007

| | Volume (Million Shares) | | | | Value (Million Baht) | | | | |
|---------------|-------------------------|----------|------------------------------|----------|----------------------|------------|------------------------------|---------|----------|
| | April 2007 | | Compared with March 2007 (%) | | April 2007 | | Compared with March 2007 (%) | | |
| | SET | mai | SET | mai | SET | mai | SET | mai | |
| Total | 28,613.82 | 1,309.91 | ↓ 14.08% | ↓ 48.68% | Total | 175,532.31 | 3,694.97 | ↓ 7.70% | ↓ 37.05% |
| Daily Average | 1,589.66 | 72.77 | ↑ 0.24% | ↓ 40.13% | Daily Average | 9,751.79 | 205.28 | ↑ 7.68% | ↓ 26.55% |

Statistics of Listed Debentures in April 2007

| Issues | Total Outstanding Value (Million Baht) | Total Turnover | |
|--------|----------------------------------------|-----------------|----------------------|
| | | Volume (Shares) | Value (Million Baht) |
| 589 | 3,469,412.55 | 39,400 | 39,853,328 |

Transactions by Type of Investors**

Unit : Million Baht

| Type of Investors | March 2007 | | | | April 2007 | | | |
|-------------------------------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| | Buy | % | Sell | % | Buy | % | Sell | % |
| Foreigners (corporate & individual) | 82,626.88 | 42.14 | 81,347.40 | 41.49 | 76,039.73 | 42.43 | 64,367.53 | 35.91 |
| Local Institutions* | 25,246.02 | 12.88 | 21,647.61 | 11.04 | 26,534.04 | 14.80 | 26,109.96 | 14.57 |
| Local Investors | 88,175.00 | 44.98 | 93,052.89 | 47.47 | 76,653.50 | 42.77 | 88,749.78 | 49.52 |
| Total | 196,047.90 | 100.00 | 196,047.90 | 100.00 | 179,227.27 | 100.00 | 179,227.27 | 100.00 |

* Including securities companies, mutual funds, banks, finance firms, insurance companies, juridical entities and provident funds

** Including transactions of mai

Top Ten Securities with Highest Market Value in April 2007

| Rank | Securities | | Market Value | |
|--------------|--------------------------------|--------|---------------------|--------------|
| | | | Million Baht | % of Total |
| 1 | PTT | PTT | 617,124.00 | 12.06 |
| 2 | PTT Exploration and Production | PTTEP | 308,917.00 | 6.04 |
| 3 | The Siam Cement | SCC | 278,400.00 | 5.44 |
| 4 | Advanced Info Service | ADVANC | 223,137.00 | 4.36 |
| 5 | Bangkok Bank | BBL | 209,972.00 | 4.10 |
| 6 | Kasikornbank | KBANK | 161,163.00 | 3.15 |
| 7 | Thai Oil | TOP | 133,621.00 | 2.61 |
| 8 | The Siam Commercial Bank | SCB | 126,064.00 | 2.46 |
| 9 | Krung Thai Bank | KTB | 121,859.00 | 2.38 |
| 10 | PTT Chemical | PTTCH | 120,699.00 | 2.36 |
| Total | | | 2,300,956.00 | 44.96 |

Top Ten Most Actively Traded Securities (Main Board) in April 2007

| Rank | Securities | | Number of Securities | Turnover Value | |
|--------------|--------------------------------|---------|----------------------|------------------|--------------|
| | | | | Million Baht | % of Total |
| 1 | PTT | PTT | 63,895,439 | 13,457.92 | 8.31 |
| 2 | Bangkok Bank | BBL | 97,353,865 | 10,852.98 | 6.70 |
| 3 | The Siam Commercial Bank | SCB | 100,396,786 | 6,890.92 | 4.26 |
| 4 | Thai Oil | TOP | 105,653,239 | 6,576.44 | 4.06 |
| 5 | Krung Thai Bank | KTB | 562,745,367 | 6,373.55 | 3.94 |
| 6 | The Siam Cement | SCC | 25,526,044 | 6,106.13 | 3.77 |
| 7 | PTT Exploration and Production | PTTEP | 65,843,708 | 6,037.64 | 3.73 |
| 8 | Kasikornbank | KBANK | 84,801,725 | 5,777.17 | 3.57 |
| 9 | Bank of Ayudhya | BAY | 180,339,883 | 3,920.71 | 2.42 |
| 10 | Bank of Ayudhya | BAY-W 1 | 410,328,419 | 3,698.54 | 2.28 |
| Total | | | 1,696,884,475 | 69,692.00 | 43.04 |

* Excluding transactions on Foreign Board and mai

Top Ten Most Actively Traded Securities (Foreign Board) in April 2007

| Rank | Securities | | Number of Securities | Turnover Value | |
|--------------|-----------------------|----------|----------------------|------------------|--------------|
| | | | | Million Baht | % of Total |
| 1 | Bangkok Bank | BBL-F | 35,600,270 | 4,119.73 | 30.33 |
| 2 | The Siam Cement | SCC-F | 8,393,699 | 2,060.86 | 15.17 |
| 3 | Kasikornbank | KBANK-F | 25,366,070 | 1,783.30 | 13.13 |
| 4 | Krung Thai Bank | KTB-F | 100,297,100 | 1,125.90 | 8.29 |
| 5 | Bank of Ayudhya | BAY-F | 44,842,900 | 979.27 | 7.21 |
| 6 | Advanced Info Service | ADVANC-F | 13,253,900 | 963.52 | 7.09 |
| 7 | Banpu | BANPU-F | 3,407,000 | 736.43 | 5.42 |
| 8 | Big C Supercenter | BIGC-F | 10,000,100 | 510.01 | 3.75 |
| 9 | Land and Houses | LH-F | 55,610,470 | 440.89 | 3.25 |
| 10 | Tisco Bank | TISCO-F | 7,338,300 | 159.86 | 1.18 |
| Total | | | 304,109,809 | 12,879.77 | 94.82 |

* Excluding transactions of mai

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) in April 2007

| Rank | Securities | Number of NVDRs | % of Paid-up Capital | |
|------|----------------------------------|-----------------|----------------------|-------|
| 1 | Raimon Land | RAIMON-W | 515,821,168 | 66.63 |
| 2 | Raimon Land | RAIMON | 759,499,628 | 36.02 |
| 3 | Golden Land Property Development | GOLD | 214,895,015 | 34.11 |
| 4 | LPN Development | LPN | 396,084,265 | 26.84 |
| 5 | Bangkok Land | BLAND | 3,917,122,250 | 24.95 |
| 6 | Jasmine International | JAS-W | 21,783,280 | 24.28 |
| 7 | Land and Houses | LH | 1,977,800,467 | 22.84 |
| 8 | Tisco Bank | TISCO | 119,907,228 | 22.14 |
| 9 | Bangkok Bank | BBL | 414,926,815 | 21.74 |
| 10 | Kasikornbank | KBANK | 500,666,658 | 20.97 |

Market data of TFEX*

| Transaction Summary | January 2007 | February 2007 | March 2007 | April 2007 |
|-------------------------------------|--------------|---------------|------------|------------|
| Total Volume (Contracts) | 61,433 | 41,790 | 45,040 | 33,743 |
| Daily Average Volume (Contracts) | 2,925.38 | 2,089.50 | 2,145 | 1,875 |
| Total Value (Million Baht) | 27,662.81 | 19,866.98 | 21,129.12 | 16,429.17 |
| Daily Average Value (Million Baht) | 1,317.28 | 946.05 | 1,005.20 | 912.73 |
| Month-end Open Interest (Contracts) | 7,772 | 7,432 | 5,996 | 8,590 |

| Market Summary: SET50 Index Futures | | Open | High | Low | Settle |
|-------------------------------------|----------------|-------|-------|-------|--------|
| Symbol | Contract Month | | | | |
| S50M07 | Jun-07 | 467.7 | 497.4 | 467.4 | 497.0 |
| S50U07 | Sep-07 | 467.1 | 496.7 | 467.1 | 495.8 |
| S50Z07 | Dec-07 | 473.0 | 494.2 | 473.0 | 496.0 |
| S50H08 | Mar-08 | 470.0 | 492.1 | 470.0 | 496.0 |
| S50M07 | Jun-07 | 467.7 | 497.4 | 467.4 | 497.0 |

* TFEX started its trading on April 28, 2006.

TFEX hosts seminar on Index Options trading



Thailand Futures Exchange (TFEX), in collaboration with TSI and Phillip Securities (Thailand) PCL, held a seminar on May 4 entitled “Index Options Trading Strategies: Experiences from Hong Kong.” The distinguished speaker, Mr. Alton Lau, CFA, FRM, Director of Phillip Commodities (HK) Ltd, provided

participants with investment tips and practical index options trading strategies.

The event was held at the SET building, and attracted an overflow crowd. ✍️

Key analysts share insights on economic outlook and stock market trends



Thai Investor Relations Club, in collaboration with SET and the Securities Analysts Association, hosted the Investor Relations Meeting 1/2550 at the SET building on April 19.

At the meeting, Dr. Supavud Saicheua, Managing Director (Head of Research Group), Phatra Securities PCL, and Ms. Poranee Tongyen, Executive Vice President of the Research Division, Asia Plus Securities PCL, shared their insights about Thailand’s economic outlook and the stock market trends at a seminar called “Towards Good and Bad Time Ahead – Analysts’ Perspectives.” They agreed that, amid growing political uncertainties, the government should issue new stimulus measures to boost consumer confidence and spur grassroots development and the local property sector. ✍️

mai promotes venture capital business

The president of the Market for Alternative Investment (mai), Mr. Chanitr Chamchainarong, gave a special lecture on venture capital business to the press on April 19. The press briefing aimed to promote a better understanding about the role of venture capital business in support of small and medium enterprises and the capital market expansion. ✍️



Thai bourse gives students simulated investment experience

SET’s Thailand Securities Institute (TSI) provided THB 8 million in software to 19 academic institutions in its University Networking Program to provide students with hands-on investment experience through the TSI Investment Simulation Program.



The 19 recipient institutions (including 29 faculties) involving in the TSI Investment Simulation Program were Bangkok, Chiang Mai, Dhurakijpundit, Kasetsart, Khon Kaen, Mae Fah Luang, Mahasarakham, Mahidol, Naresuan, Payap, Prince Songkhla, Srinakharintarawit, Sripatum, Thammasat, and Ubon Ratchathani universities; and Chulachomklao Royal Military Academy, Chulalongkorn University & Sasin Graduate Institute of Business Administration, National Institute of Development Administration, and The University of the Thai Chamber of Commerce.

At the event, Dr. Supavud Saicheua, Managing Director (Head of Research Group), Phatra Securities PCL, gave a special lecture on “Is the Thai capital market a playground for a handful of wealthy speculators?” He provided over 300 faculty members, students and interested people with a better understanding about the capital market’s crucial role as a key economic driving force and its relevance for the majority of the country’s population. ✍️