



# THE SET Newsletter



**T**he Stock Exchange of Thailand (SET) and the Market for Alternative Investment (mai) welcomed four new listings this month: **Forth Corporation PCL (FORTH)**, **Jasmine Telecom Systems PCL (JTS)**, **Bangkok Metro PCL (BMCL)** and **Thai Industrial & Engineering Service PCL (TIES)**.

FORTH and JTS joined the Technology Industry Group, Information & Communication Technology (ICT) Sector, on September 8 and 18, respectively. On September 21, BMCL, Thailand's first subway operator, listed its securities in the Transportation & Logistics Sector, Services Industry Group, with the highest paid-up capital in 2006. Finally, TIES, a civil engineering firm, entered the sister bourse on September 28.

The four new listings have added to the increasing variety of the Thai bourse's investment products. Currently there are 475 SET-listed companies and 38 mai-listed firms.

*Continued on page 3*




## Thai bourse approves direct market access for institutions

**B**y Q1/2007, domestic and foreign institutions will be able to trade directly on the Thai market via the direct market access system (DMA). According to The Stock Exchange of Thailand (SET), this brings trading arrangements into line with other exchanges, increasing the market's attraction and investor base. Those eligible to use DMA include all domestic and foreign institutions as defined by Securities and Exchange Commission, including foreign brokerage firms.

The system reduces errors and increases the independence of investors, as they are linked directly to their brokers. However, SET member companies will need to have

effective risk management systems in place to, for example, automatically verify orders before transmission to the Exchange.

In preparation for DMA, the Exchange will work closely with member companies to ensure the efficiency and compatibility of all systems by Q1/2007.

The system is currently available in the Asia-Pacific region at Australian Stock Exchange, Hong Kong Exchanges and Clearing, Korea Stock Exchange, Singapore Exchange, and Tokyo Stock Exchange. 

## Thai bourse publishes research on mai-listed firms on website

**T**hailand's Market for Alternative Investment (mai) will publish securities companies' research reports on its website at [www.mai.or.th](http://www.mai.or.th), and e-mail end-of-day market summaries to investors.

*"mai provided over THB 2 million to 12 securities companies to produce research reports on mai-listed firms, and the findings on 14 firms will be available from September 25, 2006. This will enable all interested persons to access information on investment more conveniently,"* mai President Mr. Chanitr Charnchainarong stated.

*"Because securities investment entails accurate, high-quality and up-to-date information, mai will support this research project until end-2007. This program will provide constant and relevant reports to investors and boost confidence."*

*"In addition to providing quality research, mai will undertake proactive marketing by communicating more with investors. The emailed end-of-day market summaries will help them follow the market's progress,"* Mr. Chanitr added.

Reports issued under the mai Research Support Project will include business data, highlights and relative attractiveness of securities, operational performance, and company strengths and weaknesses. Participating firms will

also produce a quarterly update on their securities, after they have submitted their financial reports to SET.

Investors wishing to receive the e-mail service should contact [e-newsletter@mai.or.th](mailto:e-newsletter@mai.or.th). To keep up-to-date on the latest research on mai-listed companies, please log onto [www.mai.or.th](http://www.mai.or.th), "mai Stock Focus" Section, or onto [www.settrade.com](http://www.settrade.com), "Analyst Consensus" Section, starting from September 25, 2006.

### Research reports on listed securities under this project

	Securities Name		Produced by
1	ACAP Advisory PCL	ACAP	Trinity Securities Co., Ltd.
2	Business Online PCL	BOL	Syrus Securities PCL
3	Goldfine Manufacturers PCL	GFM	TSEC Securities Co., Ltd.
4	International Research Corporation PCL	IRCP	Asia Plus Securities PCL
5	Lighting & Equipment PCL	L&E	SICCO Securities PCL
6	124 Communications PCL	PR124	Seamico Securities PCL
7	Pylon PCL	PYLON	Thanachart Securities PCL
8	Tapaco PCL	TAPAC	Adkinson Securities PCL
9	Thai Mitsuwa PCL	TMW	Trinity Securities Co., Ltd.
10	Thai Nakarin Hospital PCL	TNH	Capital Nomura Securities PCL
11	Thai Plaspac PCL	TPAC	Syrus Securities PCL
12	TRC Construction PCL	TRC	BFIT Securities PCL
13	Tirathai PCL	TRT	Siam City Securities Co., Ltd.
14	Unimit Engineering PCL	UEC	Prudent Siam Securities Co., Ltd.

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**F**orth Corporation PCL listed on The Stock Exchange of Thailand (SET), having raised nearly THB 470 million (approx. USD 12.49 million). The company listed in the Technology Industry Group, Information & Communication Technology (ICT) Sector, and commenced trading on September 8, 2006, with "FORTH" as its securities' symbol. Funds raised will be deployed in new projects, including the IPSTAR's user terminal project, debt servicing, and working capital.

**FORTH: Flagship in telecommunications and electronic equipment industries**

The company provides integrated services in telecommunications and electronic equipment, traffic signal systems and equipment, and electronic advertising boards, as well as data management.

Under the "FORTH" brand, the firm manufactures and distributes telecommunications and electronic equipment, including private automatic branch exchanges (PABX), digital loop carriers (DLC), battery charger controllers and inverters for solar cell systems, call center software systems, and nurse call systems. The firm also manufactures and distributes circuit boards and electronic products



under customers' brands.

"FORTH, which has been awarded the ISO 9001:2000 quality standard, is the first and only PABX manufacturer in Thailand. The company's PABX is widely accepted locally and overseas as a high quality product," FORTH Managing Director Mr. Pongchai Amatanon said.

**Extensive network provides integrated services**

The firm provides diverse services through an extensive network, including two subsidiaries, two associated companies, one joint venture, and various consortia. Together they provide integrated services ranging from market research, design, R & D, procurement, production, installation, to revenue collection.

Subsidiaries	Business operations	FORTH's holding
Genius Traffic System Co., Ltd.	<ul style="list-style-type: none"> <li>- a leading traffic signal systems and equipment manufacturer</li> <li>- Thailand's first developer and producer of electronic signboards, including LED full-color and moving signboards</li> </ul>	100%
Electronics Source Co., Ltd.	- a distributor of electronic parts for several leading brands	100%

**Forth Corporation PCL. (FORTH)**



**Mr. Pongchai Amatanon**  
Managing Director

"Since 2005, FORTH has been manufacturing computer box build for internet connections through Thaicom I - IV satellites. It is a turnkey project and we expect to receive additional orders of approximately THB 200 million in 2006," Mr. Pongchai added, when asked about the IPSTAR project.

"The company is also working on the production and installation of digital loop carriers to replace the previous analog models, and has an order worth more than THB 400 million for this year. This is in response to domestic land line expansion and the generally increased demand for internet-based technology."

"Currently FORTH has signed a joint venture agreement with Genius Traffic System Co., Ltd. The two companies have contracted with Bangkok Metropolitan Administration to install 40 "Genius" traffic signboards throughout the capital, which will also generate revenue from advertising. The firm plans to expand beyond Bangkok. It projects an income of THB 150 million from traffic sign installation by year's end, and THB 150 million from electronic LED full-color signboards," Mr. Pongchai stated.

**Consolidated financial summary (in THB million)**

	H1/2006	H1/2005	2005
Sales revenue	1,021.56	750.56	1,664.09
Net profits	57.32	7.15	31.68

FORTH has THB 480 million (approx. USD 12.75 million) in paid-up capital, made up of an existing 386.10 million shares and 93.90 million shares in capital increase, each with a par value of THB 1.00. During August 28 - 30, the company sold its capital increase shares at its IPO at THB 5.00 per share, raising THB 469.50 million. Seamico Securities PCL acted as the firm's financial advisor.

After the IPO, FORTH's principal shareholder is the Amatanon family, who collectively hold 64.72% of the company's paid-up capital. The company's dividend policy is based on no less than 40% of net profit after tax and legal reserves.

For more information on Forth Corporation PCL, please visit its corporate website at [www.forth.co.th](http://www.forth.co.th), SET's website at [www.set.or.th](http://www.set.or.th), or SETTRADE.Com's website at [www.settrade.com](http://www.settrade.com).

## Jasmine Telecom Systems PCL. (JTS)



**Mr. Subhoj Sunyabhisithkul**  
President and Executive Director

*"Telecom and computer systems integration make up 87% of our sales and service revenues, while 11% of revenue comes from leasing public payphones, and 2% from distribution of test equipment,"* said Mr. Subhoj.

JTS and its subsidiary, STCC, have built up a high level of trust among their clients for product quality, project management efficiency, timely delivery and prompt after-sales service. JTS has established a special unit to exclusively deliver services to its major customers. Moreover, the firm and its subsidiary plan to expand its customer base to cover both the government and private sector, such as Metropolitan Electricity Authority, Provincial Electricity Authority, Electricity Generating Authority of Thailand, Aeronautical Radio of Thailand, and others. Besides this, JTS plans to extend its telecom product lines to support private communication systems to mitigate the risk of heavy reliance on projects of major customers.

### Listed on SET to strengthen its business

JTS has THB 700 million (approx. USD 19 million) in paid-up capital, made up of an existing 525 million shares and 175 million shares in capital increase, each with a par value of THB 1.00.

Currently JTS is applying to Securities and Exchange Commission to allocate five million common shares and 21.25 million warrants to its directors and employees under its Employee Stock Option Program. This is expected to take place over the remainder of 2006 and will boost total paid-up capital to THB 726.25 million shares. Seamico Securities PCL acted as JTS' financial advisor.

For dividend payment policy, JTS will pay out 40% of its net profits after corporate taxes and reserves. The company will use the IPO proceeds for business expansion, project bidding, and as working capital. After the IPO, the principal shareholders in JTS are Jasmine International PCL and Somers (UK) Limited, who hold 57.14% and 17.86% of the company's paid-up capital respectively.

For more information on Jasmine Telecom Systems PCL, please visit its corporate website at [www.jts.co.th](http://www.jts.co.th), SET's website at [www.set.or.th](http://www.set.or.th), or SETTRADE.Com's website at [www.settrade.com](http://www.settrade.com).

Jasmine Telecom Systems PCL (JTS) listed on The Stock Exchange of Thailand (SET) on September 18, 2006. JTS and its subsidiary, Siam Teltech Computer Co., Ltd. (STCC), are system integrators in telecommunications and information technology, including providing equipment and related services. JTS also acts as a local distributor for import test equipment and leases payphones.

The business of JTS and its subsidiary are categorized into four major areas, as follows:

1. Telecom systems integration: JTS provides turnkey telecommunications services, ranging from system design, selection, procurement, equipment installation to equipment testing and maintenance.
2. Payphones: JTS leases public telephones to the Telephone Organization of Thailand, including procuring, installing, repairing and maintenance.
3. Test equipment: JTS is the exclusive distributor of test devices for the Anritsu Group, under the brand "Anritsu".
4. Computer systems integration: This service is engaged by STCC, which also distributes computer hardware and other peripheral equipment. STCC provides consulting services,

design and installation of computers (including IT networks), development of software applications and maintenance.

JTS also installed a signaling

and security system for the State Railway of Thailand. JTS designed, installed and distributed its security system tools, such as CCTV and an access control system.

The company joined the Information & Communication Technology (ICT) Sector, Technology Industry Group, with "JTS" as the securities' symbol. The firm raised THB 560 million (approx. USD 15 million) for future business expansion and project bidding.

Mr. Subhoj Sunyabhisithkul, President and Executive Director, Jasmine Telecom Systems PCL, talked about the company's key strengths *"We enjoy a strong financial status, enabling us to bid for large projects. We also have a close relationship with leading world-class suppliers, namely, Alcatel, Ericsson, and Huawei, to help us keep abreast of technological advancements. We encourage our staff to try our new products and join training programs held by our suppliers. Moreover, we have a lot of experience in providing telecommunications network systems to our customers, such as TT&T, TOT, CAT and other government and private enterprises. Finally, some of our employees and executives have been in this business for over 15 years, so they can easily provide total ICT service to our customers."*

### Consolidated financial summary (in THB million)

	H1/2006	H1/2005	2005
Sales & service revenues	989.64	820.56	1,817.79
Total revenue	1,029.82	821.98	1,847.22
Net profit	154.48	137.32	290.82

**B**angkok Metro PCL, Thailand's first subway operator, listed its securities on The Stock Exchange of Thailand (SET) to raise funds to purchase additional trains, invest in equipment to service more passengers, repay loans, and increase working capital.

**New listing with the highest paid-up capital in 2006, one of THB 11.95 billion**

Bangkok Metro PCL listed its securities in the Transportation & Logistics Sector, Services Industry Group, on September 21, with "BMCL" as their trading symbol. Kim Eng Securities (Thailand) PCL acted as its financial advisor.

BMCL had THB 8.96 billion (approx. USD 239.39 million). This came from its existing 7.35 billion shares, 1.32 billion shares in capital increase, and another 296.69 million shares previously allocated to the company's directors, executives and employees. Each share had a par value of THB 1.00.

BMCL had a total of 2.76 billion shares sold in its initial public offering (IPO) on September 8 and 11 – 13, 2006,



at THB 1.31 per share. BMCL's IPO shares were composed of 1.32 billion from its capital increase and 1.44 billion shares held by existing shareholders,

mainly Bangkok Expressway PCL, Ch. Karnchang PCL., Krung Thai Bank PCL, Krung Thai Thana Wattana Fund, Mahasiri Siam Co., Ltd, Siam City Bank PCL, and TMB Bank PCL.

Of the IPO portion, 150 million shares were allocated to BMCL's benefactors, 310 million to institutions, 1.63 billion to the general public, and 25 million to frequent subway users.

After listing, BMCL received THB 2.99 billion from MRTA (Mass Rapid Transit Authority of Thailand) for holding 2.99 billion shares at THB 1.00 apiece. Hence, the total paid-up capital of BMCL became THB 11.95 billion (approx. USD 319.27 million).

**BMCL enhances urban transportation infrastructure**

BMCL was granted a concession from the MRTA to invest in system development, operate, and maintain the electric train system of the MRTA's Blue Line for 25 years. The company has the exclusive right to collect fares and develop commercial activities through three subsidiaries:

- > **BMCL Network Co., Ltd.**, which provides telecommunication equipment in the station areas as well as maintenance services,
- > **Triad Network Co., Ltd.**, which operates in-train and station space advertising, and

**Bangkok Metro PCL lists (BMCL)**



**Dr. Sombat Kitjalaksana**  
Managing Director

> **Metro Mall Development Co., Ltd.**, which manages retail shops and advertising space in subway stations.

"BMCL's subway service could serve up to 1 million passengers a day. Currently it serves approximately 200,000 passengers a day. But within 2 1/2 years, this number should increase to 280,000, the breakeven point," said Dr. Sombat Kitjalaksana, Bangkok Metro PCL's Managing Director.

"Despite the company's current losses, it is obvious that there is a lot of room for growth. For example, rising gasoline prices and congested traffic are turning more Bangkokians to the subway," he continued.

"BMCL, through its subsidiary, Metro Mall, plans to develop additional retail shops and sell promotion space inside 11 stations and the basement of the parking building at Lat Phrao Station. This consists of 12,359 square-meters of commercial retail space. The company plans to open shopping areas at two metro stations by end-2006.

"The firm will also benefit from the government's 'Urban Rail Transportation Master Plan,' to expand the rail transportation network in the city. The company will bid for concessions to operate additional subway routes and stations," he concluded.

**Consolidated financial highlights (in THB million)**

	H1/2006	H1/2005	2005
Total revenue	689.50	402.04	1,046.00
Net profits (loss)*	(821.35)	(979.78)	(1,715.99)

Remark: \* Net profits (loss) after minority interest and taxes

After the IPO and payment by MRTA, principal shareholders of BMCL become the MRTA, Ch. Karnchang PCL Group, and Natural Park PCL Group, who hold 25%, 19.56%, and 12% of its paid-up capital respectively. BMCL's dividend policy is to pay out no less than 40% of its net profits after reserves as required by law and by its loan agreements.

For more information on BMCL, please visit its corporate website at [www.bangkokmetro.co.th](http://www.bangkokmetro.co.th), SET's website at [www.set.or.th](http://www.set.or.th), and SETTRADE.Com's website at [www.settrade.com](http://www.settrade.com).

## Thai depository's three-year plan for service excellence

In launching its three-year strategic plan, Thailand Securities Depository Co., Ltd. (TSD) aims to meet the demands of the modern customer for accurate, fast, and efficient service. Strengthening corporate identity, building trust, and maximizing customer satisfaction and service quality form the plan's core. The Depository's Board of Directors approved the company's medium-term strategic plan for 2007 – 2009 on September 25, 2006.

*"TSD will be transformed into a valued partner offering excellent customer service and equipped to meet the challenges of a developing Thai capital market,"* TSD President Ms. Sopawadee Lertmanaschai declared.

To achieve these strategic aims, the company has formulated nine key business plans for 2007. These include: developing clearing and settlement systems for index options,

***TSD will be transformed into a valued partner offering excellent customer service and equipped to meet the challenges of a developing Thai capital market.***

exchange-traded funds ("ETFs"), and post-trade integration ("PTI"); improving the Back Office Service Bureau ("BSB") system for the equity market, further developing Fund Administration System @ TSD ("FAST") for mutual funds, and increasing participation in its e-dividend and scriptless systems through astute marketing.

TSD's strategic plan for 2007 – 2009 emphasizes three key areas:

1) **Infrastructure and systems:** To develop efficient, secure, and reliable systems supporting a wider variety of transactions.

Concentrating on IT, six system development sub-plans have been formulated: main services (i.e., securities registration, depository, clearing and settlement, BSB and mutual fund services), integrated investor accounts, general information system development to meet the demand for more comprehensive information and decision-making data, T+2 clearing and settlement period (scheduled for 2008), a payment hub, and a retail depositor system.



บริษัท ทรัสต์เพื่อหลักทรัพย์ (มหาชน) จำกัด  
THAILAND SECURITIES DEPOSITORY CO., LTD.

**Ms. Sopawadee Lertmanaschai**  
TSD President

2) **New initiatives:** To develop new work systems delivering innovative products which offer customers a wider choice and add value to TSD's services.

There are six work systems sub-plans to support: new products (i.e., index options, interest rate futures, securities borrowing and lending, private repo, and ETFs), cross-product transactions, a provident fund system providing more flexible choices for employees, a derivatives sub-brokers' service to encourage them to join the Thailand Clearing House (TCH) (by 2007), an electronic voting channel, and a TSD information portal for securities issuers and holders, securities firms, and investment management firms (by 2008).

3) **Corporate identity:** To clearly communicate the role of TSD to stakeholders, raise the company's public profile, and ensure the dedication of staff to the firm's goals.

TSD will communicate its roles and responsibilities precisely and clearly. The company will develop human resources to ensure a skills base which is flexible and meets market demand.

*"The company aims to spell out its role as an important player in the securities industry and become noted for its efficient, accurate, and customer-centered services delivered by adept and intelligent staff,"* Ms. Sopawadee concluded.

TSD is a subsidiary of The Stock Exchange of Thailand (SET). It is engaged in after-trade services, including securities depository, securities clearing and settlement, securities registration, fund registration, and a back office service bureau. ✍️



TSD Counter Service

## “Thailand Dynamic Capital Mobilization” Conference

To share insights about capital mobilization in the current open-economy and Thailand’s readiness for the ever-changing world economy, the **“Thailand Dynamic Capital Mobilization”** conference was held at The Stock Exchange of Thailand (SET) on October 5. The event drew particular attention from public and private sector economists and financial practitioners.

The economics conference was co-hosted by Bond Electronic Exchange; Faculty of Commerce and Accountancy, Thammasat University and the Joint Doctoral Program in Business Administration Alumni Club (JDBAAC).

The then-Governor of the Bank of Thailand (BOT), M.R. Pridiyathorn Devakula, delivered a keynote speech on **“Thai Economy’s Challenges Amidst Volatile International Money Markets.”**

### Thai economy will remain stable amidst volatile foreign-capital flows

M.R. Pridiyathorn noted: *“Thailand’s economy is expected to face continued volatility until end-2007. This is caused by the United States’ growing current-account deficit and China’s resistance to allowing greater movement of the yuan. However, the country’s high official reserves of over USD 61 billion will help the economy cope with any volatile foreign-capital flows.”*

Inflows to Thailand of around USD 15 billion have been recorded since December 2005, because investors expect the baht to appreciate and the local stock market has a relatively low price-to-earnings ratio.

However, the local financial market experienced a sharp reversal of flows from May 12 to June 15, after heavy sell-offs across Asia from fears of a softening world economy. Investors also shifted their portfolios back to New York in July following the war in Lebanon.



M.R. Pridiyathorn Devakula


M.R. Pridiyathorn added BOT has stepped in occasionally to buy dollars to slow the appreciating trend of the baht triggered by heavy inflows.

*“We have done pretty well with the currency market. We have sold the baht, yet it depreciated only slightly. This is because confidence in the economy remains strong,”* he said.

M.R. Pridiyathorn added, *“Overall economic stability has also been good thanks to easing inflation, declining unemployment and decreasing external debt.”*

### High official reserves seen as Thai economic safeguard

*“Foreign assets in the stock market have been increasing. The country’s official reserves could cope with even the worst case in which foreign investors completely sold off their portfolios.”*

*“I cannot imagine what will happen if hedge funds dump the dollar four or five times more than they have already done. But our high reserves would help us handle this. The fact that the central bank has diversified its reserves to reduce dollar assets since 2003 would also help reduce the impact from valuation losses,”* M.R. Pridiyathorn concluded. 



		Balance of payments					
Bn USD		2005	2006				
			Q1	Q2	H1	Jul	Aug
<b>Trade Balance</b>		-8.5	-0.2	-1.7	-1.9	-0.2	0.3
Exports		109.2	29.1	30.6	59.7	11.0	11.7
(%YoY)		(15.0)	(17.7)	(16.0)	(16.8)	(17.7)	(17.0)
Imports		117.7	29.3	32.3	61.6	11.3	11.4
(%YoY)		(25.9)	(5.5)	(3.3)	(4.3)	(16.3)	(11.2)
<b>Services &amp; Transfer</b>		4.9	1.9	0.6	2.4	0.5	0.5
Current A/C		-3.7	1.7	-1.2	0.5	0.3	0.8
Net Capital Movement		8.4	1.9	1.8	3.6	-0.5	
Monetary authorities		-	-	-	-	-	
Government		-1.0	0.1	-0.1	0.0	0.0	
Bank		0.2	-5.5	0.5	-5.1	-1.6	
Others		9.2	7.3	1.4	8.7	1.2	
<b>Overall Balance</b>		5.4	3.0	1.7	4.7	0.5	0.5
Reserves		52.1	55.3	58.1	58.1	58.8	59.4

Source: Compiled by Bank of Thailand

**T**hai Industrial & Engineering Service PCL listed on Thailand's Market for Alternative Investment (mai) on September 28, with "TIES" as their trading symbol. The proceeds earned are to be used as working capital.

TIES has shares worth a total of THB 135 million (approx. USD 3.61 million). This comes from the existing 100 million shares and another 35 million shares in capital increase, each with a par value of THB 1.00. The company sold its capital increase shares at an initial public offering (IPO) on September 13 - 15. Thirty-three million shares were sold to the general public at THB 2.80 per share, while another two million shares were sold to the company's directors and employees at THB 1.40. Thanachart Securities PCL acted as TIES' financial advisor.

### TIES: strong in civil engineering

TIES has expertise in installing engineering systems for industrial plants, high-rise buildings, and residences.



The company specializes in installing electricity and telecommunication, sanitary, fire protection, and other engineering systems. The firm targets projects

each worth over THB 50 million.

The company's key customers include Beer Thai (1999), Thai Airways International, Siam Michelin, Cencar, and subsidiaries of Siam Cement group.

*"With its proven track record for 25 years, TIES is renowned for its commitment to on-time service delivery. It is certified ISO 9001:2000 by Management System Certification Institute (Thailand), or 'MASCI'.*

*"Providing quality service, TIES wins customer confidence and prospers from a strong customer base. TIES repeat business accounts for over 50% of its sale income.*

## Thai Industrial & Engineering Service PCL (TIES)



**Mr. Assavin Chingumtornvong**  
Chairman & CEO

*The company targets having a constant revenue growth of 10-20% annually. It is expected to achieve a 20% growth in total revenues by this year's end,"* said Mr. Assavin Chingumtornvong, TIES Chairman & CEO.

*"At present the company is working on a factory construction project worth of THB 800 million (approx. USD 21.37 million) for Beer Thai (1999). Also, it has two hospital construction projects worth approximately THB 600 million (approx. USD 16.03 million) for Ramkhamhaeng and Phuket International Hospitals,"* Mr. Assavin added.

### TIES's financial summary (in THB million)

	H1/2006	H1/2005	2005
Sales revenue	524.32	504.29	982.36
Net profits	18.48	14.81	42.21

The company's dividend policy is to pay out no less than 50% of its net profits after corporate taxes and reserves as required by law.

After the IPO, TIES' principal shareholders are the Chingumtornvong and Tamsuk groups, who respectively hold 37.78% and 36.55% of its paid-up capital.

For more information on TIES, please visit its corporate website at [www.tiesco.co.th](http://www.tiesco.co.th), mai's website at [www.mai.or.th](http://www.mai.or.th), and SETTRADE.Com's website at [www.settrade.com](http://www.settrade.com).

## Thai bond listings to be fee-free until end-2007

**T**he Stock Exchange of Thailand (SET)'s Board recently announced that the grace period, during which bond listing fees (including the application, entrance and annual fees) plus the trading fee of 0.05%, are waived will be extended for another year, until end-2007.

The fee-free extension is part of a strategy to increase the number of state and private bonds, as per the 2<sup>nd</sup> Thai Capital Market Development Plan (2006-2010), which envisages the Thai bond market expanding from 46% of GDP, about THB 3.6 trillion (approx. USD 95,700 million) to 80% of GDP, about THB 6 trillion (approx. USD 159,700 million) over five years.

Extending the fee-free period will lessen the financial burden on state and private bond-issuing agencies. Hence, the Exchange's decision will benefit the country and promote the on-going growth of the bond market.

BEX began operations in November 2003 and has waived listing and trading fees for three years.

On August 31, 2006, there were 581 issues of state and private bonds trading in the market, with a total value of THB 2.984 trillion (approx. USD 79,335 million) as detailed below:

Type	No. of Issues	Outstanding Value (unit: THB million)
● State bonds		
Treasury bills	43	255,000.00
Government bonds	31	1,006,976.00
Savings bonds	5	95,187.90
State-enterprise bonds	379	523,994.66
State-agency bonds	42	785,092.00
<b>Sub-total</b>	<b>500</b>	<b>2,666,250.56</b>
● Private bonds	80	312,686.04
● Unit trusts	1	5,632.32
<b>Total</b>	<b>581</b>	<b>2,984,568.92</b>



## Thai Futures Exchange presents products internationally

To increase foreign participation and raise its profile internationally, Thailand Futures Exchange PCL (TFEX) will feature futures products at conferences in India and the U.S.A.

During October 17 – 19 and 28 – 30, TFEX will participate in two Futures Industry Association (FIA) conferences. The first, entitled “FIA Asia Derivatives Conference”, is in India and the second one, “FIA Futures & Options Expo 2006”, is in the US.

These conferences will provide TFEX a unique opportunity for public relations and international marketing amongst global investors and investment experts. TFEX expects to attract market makers and increase liquidity by demonstrating its rapid growth and modern online trading systems.

Recently, TFEX joined the Derivatives & Securities World in Singapore during October 3 – 4, hosted by Futures and Options World (FOW) magazine. At the event, TFEX




Managing Director Ms. Kesara Manchusree spoke on developments in Thailand's Index Futures Market. She also joined a panel on the “Latest Developments in Asian Equity Derivatives”, with representatives from Taiwan Futures Exchange, the Options Clearing Corporation (Chicago, U.S.A.), and Macquarie Securities (Singapore). 

## Thai exchange and FTSE develop new index

The Stock Exchange of Thailand (SET) will collaborate with FTSE Group in managing the Exchange's new index. The collaboration is expected to boost the SET's international profile and bring the Thai index in line with international markets. It will also prepare the Exchange for innovative products such as exchange-traded funds (ETFs), derivatives and Islamic Index products to better meet the needs of the modern investor.

SET and FTSE Group will sign a memorandum of understanding, after which they will conduct joint domestic

and international market consultations, outlining index policy for both new and existing investors.

In choosing an index provider, the SET working committee sought proposals from FTSE Group, Dow Jones Index, S&P Index, and MSCI Barra Group. Their selection was based on criteria such as co-branded index policies, experience in product innovation, experience in working with Asian exchanges, teamwork and planning, and index-related business plans. 


## Thai bourse announces ETF boosts investment choice using FTSE/ASEAN 40 Index

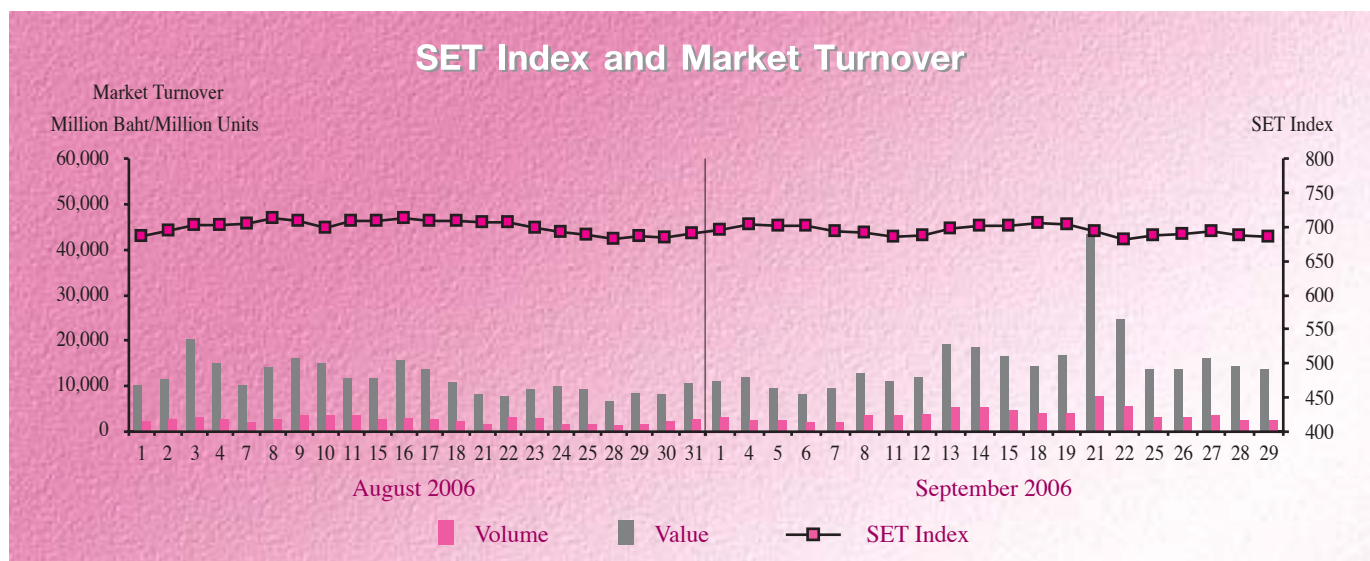
An ETF (exchange-traded fund) based on the FTSE/ASEAN 40 Index has been listed on Singapore Exchange Limited (SGX). The fund provides investment opportunities in the five ASEAN markets, and includes nine Thai companies in its underlying index.

The first ETF based on the FTSE/ASEAN 40 Index commenced trading on SGX on September 21, 2006 using “FTSE ASEAN 40 ETF” as its trading symbol. CIMB Group, Barclays Global Investor, and Citigroup acted respectively as fund manager, advisor, and market maker.

The underlying FTSE/ASEAN 40 Index, to be reviewed in March 2007, currently includes 40 listed securities from Bursa Malaysia Berhad, Jakarta Stock Exchange, The Philippine Stock Exchange, SGX and The Stock Exchange of Thailand (SET).

The nine Thai companies in the FTSE/ASEAN 40 Index, are (in order of market capitalization size) PTT PCL (PTT), PTT Exploration and Production PCL (PTTEP), Bangkok Bank PCL (BBL), Kasikornbank PCL (KBANK), Advanced Info Service PCL (ADVANC), Siam Cement PCL (SCC), Siam Commercial Bank PCL (SCB), Thai Petrochemical Industry PCL (TPI), and Krung Thai Bank PCL (KTB).

For more information on the FTSE ASEAN 40 ETF, please visit CIMB Group's website at <http://etf.cimb-gk.com>. Information on FTSE/ASEAN and FTSE/ASEAN indices is available on SET's website at [www.set.or.th](http://www.set.or.th), “FTSE/ASEAN Index” portal, and on FTSE Group's website at [www.ftse.com](http://www.ftse.com), “Indices” portal. 



### The Stock Price Indices in September 2006

Index	High (Date)	Low (Date)	Close	
			September 2006	Compared with August 2006 (%)
SET	705.89 (18)	681.71 (22)	686.10	↓ 0.69%
SET50	494.26 (18)	477.76 (11)	480.30	↓ 0.44%
SET100*	1,076.38 (18)	1,040.98 (11)	1,044.47	↓ 0.45%
mai	163.47 (14)	156.38 (22)	161.20	↑ 1.56%

\* The SET100 Index was launched on May 3, 2005.

### Stock Market Turnover in September 2006

	Volume (Million Shares)				Value (Million Baht)				
	September 2006		Compared with August 2006 (%)		September 2006		Compared with August 2006 (%)		
	SET	mai	SET	mai	SET	mai	SET	mai	
Total	70,813.65	488.72	↑ 36.75%	↑ 71.41%	Total	307,514.56	1,183.22	↑ 22.68%	↑ 38.97%
Daily Average	3,540.68	24.44	↑ 50.43%	↑ 88.58%	Daily Average	15,375.73	59.16	↑ 34.95%	↑ 52.87%

### Statistics of Listed Debentures in September 2006

Issues	Total Outstanding Value (Million Baht)	Total Turnover	
		Volume (Units)	Value (Million Baht)
579	3,009,661.45	6,200	6.02

### Transactions by Type of Investors\*

Unit : Million Baht

Type of Investors	August 2006				September 2006			
	Buy	%	Sell	%	Buy	%	Sell	%
Foreigners (corporate & individual)	80,640.74	32.06	71,252.04	28.33	122,644.85	39.73	111,526.82	36.13
Local Institutions**	28,507.55	11.34	32,568.32	12.95	38,317.28	12.41	39,672.98	12.85
Local Investors	142,363.16	56.60	147,691.09	58.72	147,735.64	47.86	157,497.97	51.02
<b>Total</b>	<b>251,511.45</b>	<b>100.00</b>	<b>251,511.45</b>	<b>100.00</b>	<b>308,697.77</b>	<b>100.00</b>	<b>308,697.77</b>	<b>100.00</b>

\* 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 September 2006

Rank	Securities		Market Value	
			Million Baht	% of Total
1	PTT	PTT	605,793	12.38
2	PTT Exploration and Production	PTTEP	348,261	7.12
3	The Siam Cement	SCC	285,600	5.83
4	Advanced Info Service	ADVANC	265,745	5.43
5	Bangkok Bank	BBL	204,246	4.17
6	Kasikornbank	KBANK	159,590	3.26
7	Thai Petrochemical Industry	TPI	133,575	2.73
8	Krung Thai Bank	KTB	127,449	2.60
9	Thai Oil	TOP	122,401	2.50
10	The Siam Commercial Bank	SCB	113,546	2.32
<b>Total</b>			<b>2,366,206</b>	<b>48.34</b>

## Top Ten Most Actively Traded Securities (Main Board) in September 2006

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	PTT	PTT	138,365,168	30,174.22	10.60
2	Bangkok Bank	BBL	126,700,623	14,065.04	4.94
3	The Siam Cement	SCC	55,619,616	13,237.74	4.65
4	The Siam Commercial Bank	SCB	204,074,620	12,499.49	4.39
5	PTT Exploration and Production	PTTEP	105,390,012	11,197.65	3.93
6	Thai Oil	TOP	146,771,661	8,851.04	3.11
7	Kasikornbank	KBANK	118,551,183	7,923.20	2.78
8	Thai Petrochemical Industry	TPI	950,629,591	6,748.65	2.37
9	BNT Entertainment	BNT	13,906,524,366	6,045.57	2.12
10	Rayong Refinery	RRC	310,705,278	5,967.17	2.10
<b>Total</b>			<b>16,063,332,118</b>	<b>116,709.77</b>	<b>40.99</b>

\* Excluding transactions on Foreign Board and mai

## Top Ten Most Actively Traded Securities (Foreign Board) in September 2006

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	Bangkok Bank	BBL-F	82,760,160	9,562.53	41.89
2	Kasikornbank	KBANK-F	83,376,600	5,774.57	25.30
3	The Siam Cement	SCC-F	15,493,400	4,007.68	17.56
4	Advanced Info Service	ADVANC-F	14,856,650	1,363.09	5.97
5	Land and Houses	LH-F	104,821,200	842.88	3.69
6	Banpu	BANPU-F	2,178,464	310.95	1.36
7	Krung Thai Bank	KTB-F	22,782,600	272.34	1.19
8	Bank of Ayudhya	BAY-F	8,858,000	161.71	0.71
9	Tisco Bank	TISCO-F	3,955,800	93.67	0.41
10	Kiatnakin Bank	KK-F	3,163,500	93.02	0.41
<b>Total</b>			<b>342,246,374</b>	<b>22,482.44</b>	<b>98.49</b>

\* Excluding transactions of mai

## Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) in September 2006

Rank	Securities		Number of NVDRs	% of Paid-up Capital
1	Raimon Land	RAIMON-W	433,254,018	55.96
2	Golden Land Property Development	GOLD	216,895,772	34.42
3	Jasmine International	JAS-W	29,807,520	33.21
4	Tisco Finance	TISCO	163,186,231	30.16
5	Raimon Land	RAIMON	622,015,763	29.50
6	Hemaraj Land and Development	HEMRAJ-W	117,409,991	27.83
7	L.P.N. Development	LPN	389,384,833	26.39
8	Pranda Jewelry	PRANDA	76,096,300	24.49
9	Land and Houses	LH	2,043,126,876	24.21
10	Univentures	UV	125,495,149	23.66

## Market data of TFEEX\*

Transaction Summary	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Apr-Sep 2006
Total Volume (Contracts)	161	4,565	8,996	17,515	23,470	35,597	90,304
Daily Average Volume (Contracts)	161	228.25	449.80	875.75	1,066.82	1,779.85	876.74
Total Value (Million Baht)	86.47	2,368.56	4,134.05	8,185.89	11,386.11	17,413.47	43,574.55
Daily Average Value (Million Baht)	86.47	118.43	206.70	409.29	517.55	870.67	423.05
Month-end Open Interest (Contracts)	102	1,109	1,907	2,843	3,634	3,708	3,708

Market Summary: SET50 Index Futures					
Symbol	Contract Month	Open	High	Low	Settle
S50U06	Sep-06	476.90	499.40	476.00	483.81
S50Z06	Dec-06	477.00	503.70	477.00	490.00
S50H07	Mar-07	500.00	500.90	484.00	490.00
S50M07	Jun-07	495.00	499.80	487.00	490.90
S50U07	Sep-07	489.60	489.60	489.60	489.60

\* TFEEX started its trading on April 28, 2006.

## Thai bourse co-hosts ETFs forum



Thai institutional investors had the opportunity to learn from a market maker and global leading fund managers from Barclays Global Investors, State Street Global Advisors and Citigroup at a recent forum on exchange-traded funds (ETFs).

The **“Launching the first equity ETF in Thailand: issues, obstacles and opportunities”** forum, on September 18, provided a timely contribution to local investors’ understanding of the product, before its impending launch on the Thai exchange.

The event, co-hosted by SET and SEC, was well-attended by securities, insurance, custodian and investment management companies, commercial banks, Insurance Department, BOT and Government Pension Fund. ✍

## Thailand Futures Exchange appoints market makers for SET50 Index Futures

Acknowledging the vital function of market makers in enhancing market liquidity and investor confidence, Thailand Futures Exchange PCL (TFEX) recently appointed three firms to this role, to contribute to the ongoing development and attractiveness of the Thai derivatives and overall capital market.



The companies, to begin operations on September 18, are KGI Securities (Thailand) PCL, Phatra Securities PCL and Phillip Securities (Thailand) PCL. ✍

## Thai Investors’ Day featured futures investment



Learning more about futures investment was the focus of the recent Thai Investors’ Day held at SET on October 10, with the theme: “Futures Fair 2006”.

A highlight was the speech by then-BOT Governor M.R. Pridiyathorn Devakula: “Outlook for Thai market sentiment in 2007”.

To participate in seminars in next month’s Thai Investors’ Day, please contact TIA on 66-2237-1992-3, the SET Call Center on 66-2229-2222 or visit [www.thaiinvestors.com](http://www.thaiinvestors.com). ✍

## Thailand hosts ‘2006 Asian Roundtable on Corporate Governance’

The “2006 Asian Roundtable on Corporate Governance”, recently held in Thailand, focused on law enforcement and directors’ roles in corporate governance (CG) promotion. The Organization for Economic Co-operation and Development (OECD) program format included case studies, brainstorming and discussions where participants shared insights and proposed solutions to CG problems. Thailand was an appropriate host for the conference on September 13 – 15, given its extensive efforts to promote local CG and meet international standards.



Participants included executives from listed, securities, and investment management companies; Bank of Thailand (BOT), Association of Investment Management Companies, Association of Securities Companies, Federation of Accounting Professions, Federation of Thai Industries, Thai Bankers’ Association, Thai Chamber of Commerce, and Thai Investors’ Association.

The event was co-hosted by Thai National Corporate Governance Committee, Securities and Exchange Commission (SEC), The Stock Exchange of Thailand (SET), Thai Institute of Directors Association, and Listed Companies Association and was supported by OECD, World Bank Group, and Thailand Securities Depository Co., Ltd. ✍

## Investors flock to SET’s “Bond Fair”

This year’s second “Bond Fair”, promoting investment in varied debt securities products, including bonds, treasury bills and debentures, attracted a large number of investors and the general public.

Held at the SET Building on September 23, the event provided expert investment advice and seminars on debt securities investment. BOT, securities companies and commercial banks showcased their products.



A highlight was the staging of the final round of “BEX competition 2006: finding bond wizards”, where university students learnt about fixed income instruments and asset management and winners won prizes totaling THB 300,000.

The event was co-hosted by Bond Electronic Exchange (BEX), BOT, the Thai Bankers’ Association and SET. The next fair will be on October 28, in Khon Kaen province. ✍