

KS-Derivatives

Thailand Strategy
 08 September 2009

Actions:

- Having taken some profit at 485 pts, maintain the rest of the position in Long S50U09. If the resistance at 493-494 pts is broken, the next target level will be 520 pts.
- Figure 1: Technical analysis indicates holding the remaining long position after having taken some profit at 485. The profit-taking point will be updated although if the index goes above 493-494, the upside may extend to 520.
- Figure 2: Near-term upside of the SET50 is 492 pts.
- The SET50 is expected to extend its rally as the market has gained positive momentum and the oil price is likely to rebound from the current support level amid speculation over the OPEC meeting on Wednesday. PTT and PTTEP will benefit from the rebound in the oil price, driving the SET higher. In general, we recommend holding on to stocks through this volatile period as the SET is expected to reach 710-735 pts within 6 months.

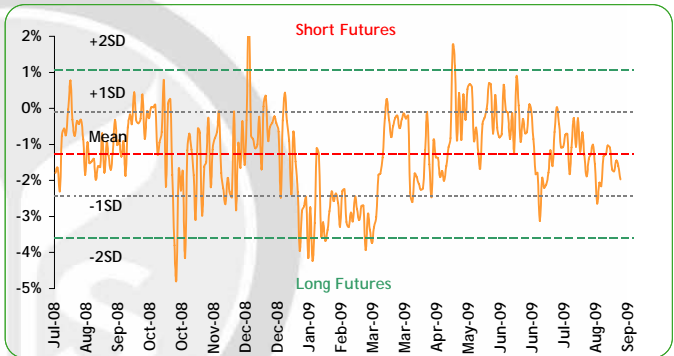
Figure 1: Technical Analysis



Figure 2: SET50 Top 10 Movers

Top 10 (Bt)	Current price (A)	%Mkt Cap	Direction	S-T Target (B)	Up/Downside (B-A)	Impact on SET50
PTT	245.0	16.4%	Up	247.0	2.0	0.6
PTTEP	141.0	11.0%	Up	144.5	3.5	1.3
ADVANC	93.5	6.5%	Up	93.8	0.3	0.1
BBL	114.0	5.1%	Up	117.0	3.0	0.6
SCC	210.0	5.9%	Up	211.0	1.0	0.1
SCB	78.8	6.3%	Up	79.3	0.5	0.2
BAY	18.4	2.6%	Up	18.8	0.4	0.3
DTAC	39.5	2.2%	Up	40.3	0.8	0.2
PTTCH	76.5	2.7%	Neutral	76.5	0.0	-0.0
TOP	42.8	2.1%	Up	44.0	1.3	0.3
(Sum)		60.9%				3.6
Last	488.2		Up	491.8		

Figure 3: SET50 Futures Premium



*SD = Standard Deviation

TECHNICAL VIEW ON STOCK FUTURES

Figure 4: PTTEP Spot



- Figure 4. Hold on to the Long futures position in PTTEP through the volatility as it is expected to rebound. Stop-loss and/or profit-taking point will be updated.

Figure 5: PTT Spot vs SET Index



- Figure 5. Having cut losses by half, hold the remaining long position in PTT futures and wait for the next signal.

PAIR TRADE ACTION

- There is no pair trading signal available

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable, but their accuracy, completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information known to us then, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice.

PAIR TRADING PERFORMANCE
Figure 6: Recent Pair Trading Performance

Trading Strategy	Open Date	Close Date	%Profit & Loss	Trading Strategy	Open Date	Close Date	%Profit & Loss
Long PTTEP/Short SCC	24-Jul-09	3-Aug-09	-4.9%	Long PTT/Short S50H09	26-Dec-08	17-Feb-09	-2.8%
Long PTT/Short PTTEP	23-Jun-09	22-Jul-09	-4.2%	Long S50Z08/Short ADVANC	22-Dec-08	14-Jan-09	-1.5%
Long PTTEP/Short PTT	18-May-09	3-Jun-09	8.0%	Long S50Z08/Short PTTEP	8-Dec-08	5-Jan-09	-0.6%
Long PTT/Short ADVANC	24-Mar-09	31-Mar-09	-5.1%	Long PTT/Short PTTEP	15-Dec-08	18-Dec-08	3.1%
Long PTT/Short S50H09	20-Feb-09	17-Mar-09	-5.7%	Long PTTEP/Short ADVANC	26-Nov-08	9-Dec-08	24.5%

(*) Running Rate

SET50 CHANGE & OPEN INTERESTS
Figure 7: SET50 Change & Open Interests

	Index	Change %	Net Long / Short Contracts		
			Institutions	Foreign	Retail
LAST	488.2		-52	1,035	-983
Cumulative Net Long / Short Contracts					
-2D	477.0	2.3%	-726	-1,452	-783
-1W	467.3	4.5%	33	254	-4,856
-1M	467.1	4.5%	5,752	145	-12,221
YTD	316.5	54.3%	-13,847	87	-19,880
Estimated Outstanding			-14,768	116	-17,564

STATISTICS
Figure 8: SET50 Futures & Options Prices

Series	Exp Date	Last Price	1 Day Chg	1 Day %Chg	Open Int.	Volume	Fair Value	Fair/Spot(%)
S50U09	29-Jun-09	487.3	13.6	2.9%	24,884	8,070	489.2	-0.4%
S50Z09	29-Sep-09	484.2	12.7	2.7%	3,238	1,751	489.0	-1.0%
S50H10	31-Dec-09	482.6	11.8	2.5%	155	28	490.3	-1.6%
S50M10	31-Mar-10	483.3	12.3	2.6%	128	33	493.8	-2.1%

Call Option	Strike Price	Premium	Volume	Open Int.	Put Option	Strike Price	Premium	Volume	Open Int.
U09	440	45.5	26	237	U09	440	1.4	38	523
U09	450	37.9	67	334	U09	450	1.5	53	623
U09	460	28.0	88	477	U09	460	2.7	69	546
U09	470	18.9	138	1052	U09	470	3.2	212	333
U09	480	11.9	65	1019	U09	480	5.5	244	56
U09	490	6.7	59	789	U09	490	9.5	50	29

Figure 9: Stock & Gold Futures Snapshot

Products	Stock Price	Settlement Price	Stock/ Settlement(%)	Trade Volume		Chg in Price	Open Int.	Chg in OI	Fair Value	Fair/Spot(%)
				Value (Btmn)	Contracts					
PTT	245.0									
PTTU09		245.0	0.0%	0.001	6	4.5	61	-4	247.4	-1.0%
PTTEP	141.0									
PTTEPU09		141.6	-0.4%	0.017	120	1.9	325	-38	144.5	-2.0%
ADVANC	93.5									
ADVANCU09		93.3	0.2%	0.002	17	-	277	1	94.4	-1.2%
BANPU	420.0									
BANPUU09		404.0	4.0%	-	-	-	3	0	-	-
BBL	114.0									
BBLU09		100.0	14.0%	-	-	-	1	0	-	-
ITD	3.1									
ITDU09		3.2	-2.5%	0.200	132	0.2	1847	21	-	-
KBANK	74.3									
KBANKU09		72.5	2.4%	16.951	120	1.9	325	-38	-	-
KTB	9.1									
KTBU09		9.2	-1.1%	3.883	423	0.1	1300	-120	-	-
LH	6.4									
LHU09		6.4	-0.8%	0.341	54	0.1	407	3	-	-
QH	2.2									
QHU09		2.2	0.0%	-	-	-	47	0	-	-
SCB	78.8									
SCBU09		73.0	7.9%	-	-	-	5	0	-	-
SCC	210.0									
SCCU09		207.0	1.4%	8.000	5	8.0	141	-1	-	-
TTA	24.6									
TTAU09		24.6	0.0%	4.509	187	1.2	395	28	-	-

Susheel Narula (susheel.n@kasikornsecurities.com; Tel +662 696-0021)