

# KS-Derivatives

# Thailand Strategy 11 September 2009

**Actions:**

- Hold on to the rest of the position in Long S50U09. The next target is 520 pts or higher. Profit-taking point and stop-loss signal will be updated.
- Figure 1: Technical analysis indicates holding the remaining long position after having taken some profit. The profit-taking point will be updated, and the upside may extend to 520 pts or higher.
- Figure 2: Near-term upside of the SET50 is 511 pts.
- The SET50 is expected to continue increasing in line with regional markets, led by commodity stocks. However, speculators should consider taking some profit when the SET breaks above 700 pts as the traded value of the SET is very high. Historical data suggests the SET will correct sooner or later. We usually expect an average correction of 5-8% during a bull market. In general, we recommend buying on any weakness as the SET is expected to reach 710-735 pts within 6 months.

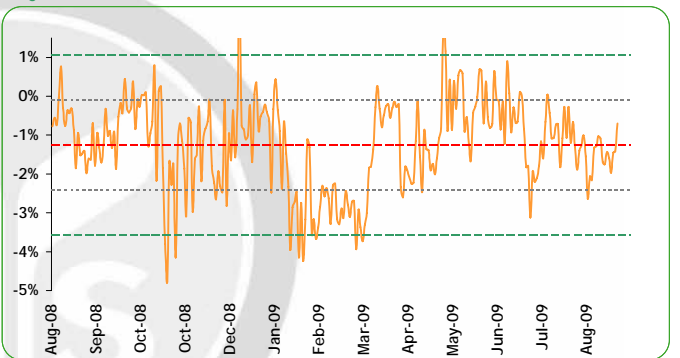
Figure 1: Technical Analysis



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         | 264.0             | 17.0%    | Up        | 268.0          | 4.0               | 1.2             |
| PTTEP       | 147.5             | 11.1%    | Up        | 149.0          | 1.5               | 0.5             |
| ADVANC      | 98.3              | 6.6%     | Neutral   | 98.3           | 0.0               | -0.0            |
| BBL         | 114.5             | 5.0%     | Up        | 117.0          | 2.5               | 0.5             |
| SCC         | 218.0             | 6.0%     | Up        | 222.0          | 4.0               | 0.5             |
| SCB         | 82.3              | 6.3%     | Up        | 83.3           | 1.0               | 0.4             |
| BAY         | 18.3              | 2.5%     | Up        | 18.8           | 0.5               | 0.3             |
| DTAC        | 45.0              | 2.4%     | Up        | 45.5           | 0.5               | 0.1             |
| PTTCH       | 84.0              | 2.9%     | Up        | 92.0           | 8.0               | 1.3             |
| TOP         | 47.0              | 2.2%     | Neutral   | 47.0           | 0.0               | 0.0             |
| (Sum)       |                   | 62.0%    |           |                |                   | 4.8             |
| Last        | 505.8             |          | Up        | 510.6          |                   |                 |

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. Aim to take some profit at 156 (PTTEP Spot) in the chart.

Figure 5: PTU09 Futures



- Figure 5. Hold the long position in PTT futures and aim at take some profit at 276-280 in the chart.

## 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.

SET50 CHANGE & OPEN INTERESTS

Figure 6: SET50 Change & Open Interests

|                       | Index | Change % | Net Long / Short Contracts            |         |         |
|-----------------------|-------|----------|---------------------------------------|---------|---------|
|                       |       |          | Institutions                          | Foreign | Retail  |
| LAST                  | 505.8 |          | -640                                  | 318     | 322     |
|                       |       |          | Cumulative Net Long / Short Contracts |         |         |
| -2D                   | 499.8 | 1.2%     | -1,524                                | -1,334  | 1,166   |
| -1W                   | 475.1 | 6.5%     | -3,317                                | -4,417  | -1,232  |
| -1M                   | 465.5 | 8.7%     | 575                                   | -5,681  | -8,533  |
| YTD                   | 316.5 | 59.8%    | -17,148                               | 21,215  | -17,715 |
| Estimated Outstanding |       |          | -18,069                               | 19,820  | -15,399 |

STATISTICS

Figure 7: 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    | 504.4      | 5.4       | 1.1%       | 23,161     | 11,232       | 506.5      | -0.4%        |           |
| S50Z09      | 29-Sep-09    | 501.8      | 5.1       | 1.0%       | 4,511      | 3,297        | 507.0      | -1.0%        |           |
| S50H10      | 31-Dec-09    | 502.0      | 7.4       | 1.5%       | 171        | 37           | 510.3      | -1.6%        |           |
| S50M10      | 31-Mar-10    | 500.0      | 5.5       | 1.1%       | 139        | 25           | 511.4      | -2.2%        |           |
| Call Option | Strike Price | Premium    | Volume    | Open Int.  | Put Option | Strike Price | Premium    | Volume       | Open Int. |
| U09         | 460          | 42.6       | 6         | 447        | U09        | 460          | na         | 0            | 0         |
| U09         | 470          | 33.4       | 34        | 980        | U09        | 470          | 1.3        | 12           | 620       |
| U09         | 480          | 24.8       | 94        | 934        | U09        | 480          | 2.1        | 62           | 483       |
| U09         | 490          | 17.2       | 103       | 770        | U09        | 490          | 2.9        | 75           | 416       |
| U09         | 500          | 11.5       | 68        | 258        | U09        | 500          | 7.0        | 212          | 285       |
| U09         | 510          | 6.7        | 125       | 285        | U09        | 510          | 11.6       | 60           | 62        |

Figure 8: 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       | 264.0       |                  |                     |              |           |              |           |           |            |              |
| PTTU09    |             | 263.5            | 0.2%                | 0.002        | 8         | 1.5          | 62        | 4         | 266.6      | -1.2%        |
| PTTEP     | 147.5       |                  |                     |              |           |              |           |           |            |              |
| PTTEPU09  |             | 148.3            | -0.5%               | 0.033        | 218       | 1.3          | 362       | 33        | 151.1      | -1.9%        |
| ADVANC    | 98.3        |                  |                     |              |           |              |           |           |            |              |
| ADVANCU09 |             | 98.0             | 0.3%                | 0.008        | 78        | 2.8          | 182       | -21       | 99.2       | -1.2%        |
| BANPU     | 422.0       |                  |                     |              |           |              |           |           |            |              |
| BANPUU09  |             | 404.0            | 4.5%                | -            | 1         | -            | 3         | 1         | -          | -            |
| BBL       | 114.5       |                  |                     |              |           |              |           |           |            |              |
| BBLU09    |             | 100.0            | 14.5%               | -            | -         | -            | 1         | 0         | -          | -            |
| ITD       | 3.1         |                  |                     |              |           |              |           |           |            |              |
| ITDU09    |             | 3.1              | -1.3%               | -            | 93        | -            | 2022      | 92        | -          | -            |
| KBANK     | 77.0        |                  |                     |              |           |              |           |           |            |              |
| KBANKU09  |             | 72.5             | 6.2%                | 32.516       | 218       | 1.3          | 362       | 33        | -          | -            |
| KTB       | 9.0         |                  |                     |              |           |              |           |           |            |              |
| KTBU09    |             | 9.0              | -0.6%               | 1.118        | 124       | -0.1         | 1561      | 90        | -          | -            |
| LH        | 6.3         |                  |                     |              |           |              |           |           |            |              |
| LHU09     |             | 6.3              | 0.0%                | 0.461        | 73        | -            | 363       | 17        | -          | -            |
| QH        | 2.1         |                  |                     |              |           |              |           |           |            |              |
| QHU09     |             | 2.1              | 1.9%                | -            | 2         | -            | 51        | 2         | -          | -            |
| SCB       | 82.3        |                  |                     |              |           |              |           |           |            |              |
| SCBU09    |             | 73.0             | 12.7%               | -            | -         | -            | 5         | 0         | -          | -            |
| SCC       | 218.0       |                  |                     |              |           |              |           |           |            |              |
| SCCU09    |             | 220.0            | -0.9%               | 6.800        | 7         | 6.8          | 65        | 1         | -          | -            |
| TTA       | 25.3        |                  |                     |              |           |              |           |           |            |              |
| TTAU09    |             | 25.4             | -0.6%               | 2.973        | 117       | 0.2          | 459       | 35        | -          | -            |

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