

KS-Derivatives

Thailand Strategy
14 September 2009

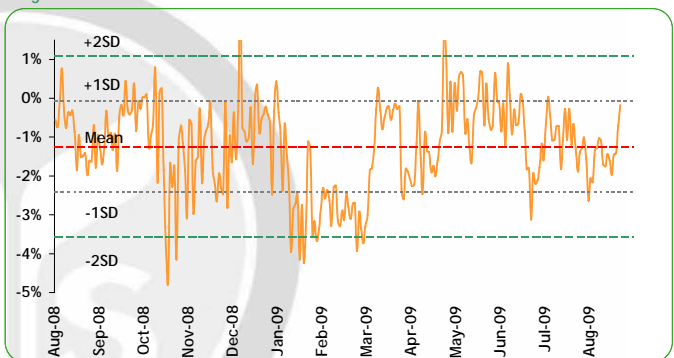
Actions:

- Hold on to the rest of the position in Long S50U09 but be prepared for high volatility during the day. 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: Downside of the SET50 is 505 pts.
- The SET50 is expected to correct as the SET is higher than our and the consensus valuation. Speculators should consider taking some profit when the SET breaks above 700 pts as the traded value of the market is very high. The SET is also too bullish compared with the pace of the economic recovery. Historical data suggests share prices 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 3: SET50 Futures Premium



*SD = Standard Deviation

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	265.0	17.0%	Down	262.0	-3.0	-0.9
PTTEP	148.5	11.1%	Down	147.5	-1.0	-0.3
ADVANC	97.0	6.5%	Down	96.8	-0.3	-0.1
BBL	116.5	5.0%	Down	114.0	-2.5	-0.5
SCC	219.0	6.0%	Down	213.0	-6.0	-0.8
SCB	81.8	6.3%	Down	80.8	-1.0	-0.4
BAY	18.3	2.5%	Down	17.6	-0.7	-0.4
DTAC	43.5	2.3%	Down	43.3	-0.3	-0.1
PTTCH	81.0	2.7%	Down	80.5	-0.5	-0.1
TOP	47.3	2.2%	Down	47.0	-0.3	-0.1
(Sum)		61.7%				-3.5
Last	508.2		Down	504.7		

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: PTTU09 ... daily



- 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	508.2		-1,298	716	582
			Cumulative Net Long / Short Contracts		
-2D	505.8	0.5%	-2,006	1,050	956
-1W	477.0	6.5%	-5,314	3,358	1,956
-1M	465.5	9.2%	-842	8,713	-7,871
YTD	316.5	60.6%	-18,435	35,567	-17,141
Estimated Outstanding			-19,356	34,172	-14,825

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	508.7	4.3	0.9%	23,161	7,184	510.8	-0.4%	
S50Z09	29-Sep-09	506.7	4.9	1.0%	4,511	1,792	512.0	-1.0%	
S50H10	31-Dec-09	506.0	4.0	0.8%	171	24	514.5	-1.6%	
S50M10	31-Mar-10	504.0	4.0	0.8%	139	12	515.6	-2.2%	
Call Option	Strike Price	Premium	Volume	Open Int.	Put Option	Strike Price	Premium	Volume	Open Int.
U09	460	46.1	11	447	U09	460	na	0	0
U09	470	35.1	24	980	U09	470	1.0	9	620
U09	480	27.0	20	934	U09	480	1.5	13	483
U09	490	20.8	72	770	U09	490	2.4	23	416
U09	500	13.9	74	258	U09	500	4.9	85	285
U09	510	7.4	51	285	U09	510	9.9	20	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	265.0									
PTTU09		264.7	0.1%	0.003	10	1.2	67	5	267.6	-1.1%
PTTEP	148.5									
PTTEPU09		148.8	-0.2%	0.013	85	0.5	378	16	152.2	-2.2%
ADVANC	97.0									
ADVANC09		97.3	-0.3%	0.001	12	-0.7	181	-1	98.0	-0.7%
BANPU	424.0									
BANPU09		404.0	5.0%	-	-	-	3	0	-	-
BBL	116.5									
BBLU09		100.0	16.5%	-	-	-	1	0	-	-
ITD	3.3									
ITDU09		3.4	-2.4%	0.300	121	0.3	2142	120	-	-
KBANK	78.0									
KBANK09		72.5	7.6%	12.671	85	0.5	378	16	-	-
KTB	9.1									
KTBU09		9.1	-0.5%	0.528	58	0.1	1613	52	-	-
LH	6.4									
LHU09		6.3	0.8%	0.612	97	-	351	-12	-	-
QH	2.2									
QHU09		2.2	-1.8%	0.100	2	0.1	53	2	-	-
SCB	81.8									
SCBU09		73.0	12.0%	-	-	-	5	0	-	-
SCC	219.0									
SCCU09		220.5	-0.7%	0.500	8	0.5	69	4	-	-
TTA	26.8									
TTAU09		26.8	-0.2%	3.994	151	1.4	403	-56	-	-

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