

# KS-Derivatives

# Thailand Strategy 17 September 2009

**Actions:**

- Today, open more Long S50Z09 contracts and hold the rest of the position in Long S50U09. The next target is 530-533 pts. However, if the newly opened long position in S50Z09 breaches 492 pts downward during the day, the position must be closed.
- Figure 1: Hold the existing long position, and add Long S50Z09 with a target to take some profit at 530-533. Set a stop-loss for S50Z09 at 492 (intraday).
- Figure 2: Upside of the SET50 is 511 pts.
- The SET50 is expected to jump amid expectations the US dollar will be weak for the long term. A lot of investors are shorting the US dollar while going long on commodities and stocks. However, speculators should also be ready for a short-term correction, which may occur at any time, as the market is likely to correct once it has tested the SET's fair-price level. Historical data suggest share prices will correct by an average of 5-8% during a bull market.

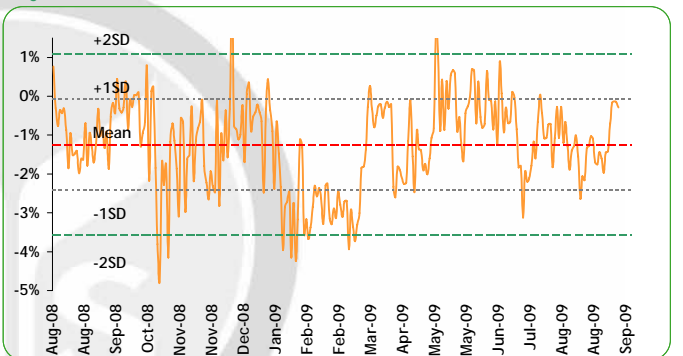
Figure 1: Technical Analysis



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         | 266.0             | 17.1%    | Up        | 269.0          | 3.0               | 0.9             |
| PTTEP       | 146.0             | 10.9%    | Up        | 147.5          | 1.5               | 0.5             |
| ADVANC      | 96.0              | 6.4%     | Up        | 97.0           | 1.0               | 0.3             |
| BBL         | 118.5             | 5.1%     | Up        | 119.5          | 1.0               | 0.2             |
| SCC         | 226.0             | 6.1%     | Neutral   | 228.0          | 2.0               | 0.2             |
| SCB         | 80.5              | 6.2%     | Neutral   | 80.5           | 0.0               | -0.0            |
| BAY         | 18.3              | 2.5%     | Neutral   | 18.3           | 0.0               | 0.0             |
| DTAC        | 42.5              | 2.3%     | Neutral   | 42.5           | 0.0               | -0.0            |
| PTTCH       | 81.8              | 2.8%     | Up        | 82.8           | 1.0               | 0.2             |
| TOP         | 46.3              | 2.1%     | Up        | 47.0           | 0.8               | 0.2             |
| (Sum)       |                   | 61.6%    |           |                |                   | 2.5             |
| Last        | 508.4             |          | Up        | 510.9          |                   |                 |

Figure 3: SET50 Futures Premium



\*SD = Standard Deviation

## TECHNICAL VIEW ON STOCK FUTURES

Figure 4: PTTEPU09 Futures



- Figure 4. hold on to the Long futures position in PTTEP through the volatility with an aim to take some profit at 156-159 in the chart. But set a stop-loss to sell half the position if PTTEP spot closes below 141.

Figure 5: PTTU09 Futures



- Figure 5. Hold the long position in PTT futures and aim to take some profit at 280-282 in the chart. Set a stop-loss to sell half the position if PTT spot falls below 253 (intraday).

## 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                  | 508.4 |          | -1,392                                | 384     | 1,008   |
|                       |       |          | Cumulative Net Long / Short Contracts |         |         |
| -2D                   | 503.9 | 0.9%     | -1,024                                | 752     | 272     |
| -1W                   | 499.8 | 1.7%     | -4,623                                | 1,672   | 2,951   |
| -1M                   | 454.9 | 11.8%    | -2,130                                | 8,756   | -6,626  |
| YTD                   | 316.5 | 60.7%    | -20,247                               | 36,168  | -15,930 |
| Estimated Outstanding |       |          | -21,168                               | 34,773  | -13,614 |

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    | 511.5      | 6.2       | 1.2%       | 22,589     | 6,861        | 513.6      | -0.4%        |           |
| S50Z09      | 29-Sep-09    | 510.8      | 7.9       | 1.6%       | 4,734      | 1,802        | 516.1      | -1.0%        |           |
| S50H10      | 31-Dec-09    | 507.5      | 5.5       | 1.1%       | 190        | 19           | 516.0      | -1.6%        |           |
| S50M10      | 31-Mar-10    | 508.8      | 7.8       | 1.6%       | 151        | 14           | 520.5      | -2.2%        |           |
| Call Option | Strike Price | Premium    | Volume    | Open Int.  | Put Option | Strike Price | Premium    | Volume       | Open Int. |
| U09         | 460          | 46.6       | 1         | 447        | U09        | 460          | na         | 0            | 0         |
| U09         | 470          | 37.6       | 3         | 985        | U09        | 470          | 0.5        | 1            | 632       |
| U09         | 480          | 28.5       | 6         | 909        | U09        | 480          | 1.0        | 2            | 523       |
| U09         | 490          | 20.1       | 13        | 776        | U09        | 490          | 2.8        | 11           | 462       |
| U09         | 500          | 13.7       | 24        | 341        | U09        | 500          | 5.5        | 93           | 464       |
| U09         | 510          | 8.1        | 32        | 409        | U09        | 510          | 7.1        | 46           | 84        |

Figure 8: Stock 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       | 266.0       |                  |                     |              |           |              |           |           |            |              |
| PTTU09    |             | 263.0            | 1.1%                | 0.000        | 1         | 2.0          | 66        | -1        | 268.6      | -2.1%        |
| PTTEP     | 146.0       |                  |                     |              |           |              |           |           |            |              |
| PTTEPU09  |             | 145.8            | 0.1%                | 0.013        | 86        | 1.9          | 411       | 12        | 149.6      | -2.5%        |
| ADVANC    | 96.0        |                  |                     |              |           |              |           |           |            |              |
| ADVANCU09 |             | 96.8             | -0.8%               | 0.002        | 20        | 0.6          | 162       | -1        | 96.9       | -0.2%        |
| BANPU     | 424.0       |                  |                     |              |           |              |           |           |            |              |
| BANPUU09  |             | 404.0            | 5.0%                | -            | -         | -            | 3         | 0         | -          | -            |
| BBL       | 118.5       |                  |                     |              |           |              |           |           |            |              |
| BBLU09    |             | 100.0            | 18.5%               | -            | -         | -            | 1         | 0         | -          | -            |
| ITD       | 3.4         |                  |                     |              |           |              |           |           |            |              |
| ITDU09    |             | 3.4              | 0.6%                | 0.200        | 34        | 0.2          | 2219      | -8        | -          | -            |
| KBANK     | 77.3        |                  |                     |              |           |              |           |           |            |              |
| KBANKU09  |             | 72.5             | 6.6%                | 12.507       | 86        | 1.9          | 411       | 12        | -          | -            |
| KTB       | 9.3         |                  |                     |              |           |              |           |           |            |              |
| KTBU09    |             | 9.4              | -1.1%               | 2.403        | 259       | 0.3          | 1689      | 98        | -          | -            |
| LH        | 6.4         |                  |                     |              |           |              |           |           |            |              |
| LHU09     |             | 6.3              | 0.8%                | 0.192        | 31        | 0.2          | 333       | 15        | -          | -            |
| QH        | 2.3         |                  |                     |              |           |              |           |           |            |              |
| QHU09     |             | 2.2              | 2.7%                | 0.100        | 15        | 0.1          | 46        | -8        | -          | -            |
| SCB       | 80.5        |                  |                     |              |           |              |           |           |            |              |
| SCBU09    |             | 73.0             | 10.3%               | -            | -         | -            | 5         | 0         | -          | -            |
| SCC       | 226.0       |                  |                     |              |           |              |           |           |            |              |
| SCCU09    |             | 217.5            | 3.9%                | 7.000        | 5         | 7.0          | 72        | 1         | -          | -            |
| TTA       | 25.8        |                  |                     |              |           |              |           |           |            |              |
| TTAU09    |             | 26.1             | -1.3%               | 3.213        | 125       | 0.7          | 446       | 28        | -          | -            |

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