

KS-Derivatives

Thailand Strategy
 22 September 2009

Actions:

- Today, hold on to both Long S50U09 and S50Z09 through the volatility. The next target for S50Z09 is 540 pts. However, if the newly opened long position in S50Z09 breaches 492 pts downward during the day, the long position in S50U09 must be partially closed.
- Figure 1: Hold the long positions in S50U09 and S50Z09. Aim to take some profit at 540 pts (adjusted from 530-533 pts), but set a partial stop-loss for S50Z09 at 492 pts (Intraday).
- Figure 2: Upside of the SET50 is 513 pts.
- The SET50 is expected to move in a sideways pattern as some investors are taking profit at the moment as they wait for the outcome of the US Treasury Bonds auction this Wednesday and Thursday, and for housing data that is expected to be released on Thursday. However, we firmly believe that the SET could test 733 pts, which is our and consensus's fair value as we expect positive outcomes from the housing data and US Treasury bond auctions.

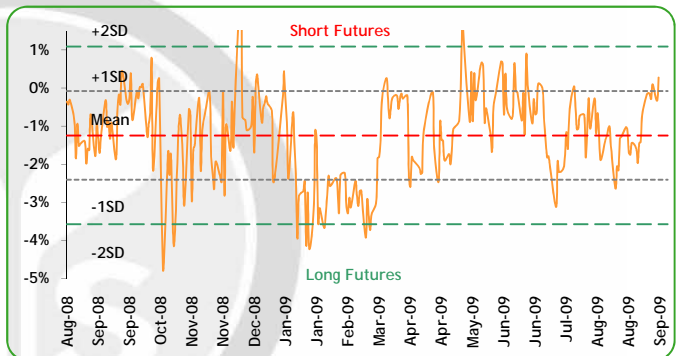
Figure 1: Technical Analysis



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	16.9%	Up	269.0	5.0	1.5
PTTEP	145.0	10.9%	Up	147.5	2.5	0.9
ADVANC	96.3	6.5%	Up	97.0	0.8	0.2
BBL	116.5	5.0%	Up	119.5	3.0	0.6
SCC	231.0	6.3%	Up	234.0	3.0	0.4
SCB	81.0	6.2%	Up	82.0	1.0	0.4
BAY	18.1	2.5%	Up	18.3	0.2	0.1
DTAC	42.3	2.3%	Up	42.8	0.5	0.1
PTTCH	79.8	2.7%	Up	82.8	3.0	0.5
TOP	46.0	2.1%	Up	47.0	1.0	0.2
(Sum)		61.4%				4.8
Last	508.4		Up	513.2		

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 and aim to take some profit at 159-160 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. Stop-loss signal will be updated.

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		-216	-211	427
			Cumulative Net Long / Short Contracts		
-2D	510.9	-0.5%	-506	-327	833
-1W	497.0	2.3%	-2,802	609	2,193
-1M	462.8	9.8%	-6,099	9,017	-2,918
YTD	316.5	60.7%	-21,237	36,176	-14,948
Estimated Outstanding			-22,158	34,781	-12,632

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	508.0	-3.6	-0.7%	21,739	5,040	510.1	-0.4%	
S50Z09	29-Sep-09	507.4	-3.6	-0.7%	5,568	1,485	512.6	-1.0%	
S50H10	31-Dec-09	507.0	-2.0	-0.4%	223	24	515.4	-1.6%	
S50M10	31-Mar-10	505.0	-3.0	-0.6%	153	7	516.5	-2.2%	
Call Option	Strike Price	Premium	Volume	Open Int.	Put Option	Strike Price	Premium	Volume	Open Int.
U09	460	48.2	0	439	U09	460	na	0	0
U09	470	37.0	1	975	U09	470	0.5	13	622
U09	480	28.5	13	884	U09	480	0.4	0	527
U09	490	18.8	11	753	U09	490	2.6	1	480
U09	500	12.6	5	335	U09	500	2.8	10	563
U09	510	5.5	33	458	U09	510	5.5	23	200

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	264.0									
PTTU09		265.5	-0.6%	0.001	4	0.9	38	1	266.6	-0.4%
PTTEP	145.0									
PTTEPU09		145.4	-0.3%	0.009	62	-2.0	402	-1	148.6	-2.1%
ADVANC	96.3									
ADVANCU09		97.0	-0.8%	0.001	8	-0.3	168	7	97.2	-0.2%
BANPU	434.0									
BANPUU09		404.0	7.4%	-	-	-	3	0	-	-
BBL	116.5									
BBLU09		100.0	16.5%	-	-	-	1	0	-	-
ITD	3.5									
ITDU09		3.5	0.0%	-	34	-	2499	6	-	-
KBANK	77.8									
KBANKU09		78.5	-1.0%	9.090	62	-2.0	402	-1	-	-
KTB	9.1									
KTBU09		9.2	-1.1%	1.233	134	-0.1	1724	69	-	-
LH	6.4									
LHU09		6.3	1.6%	0.312	49	-	277	-9	-	-
QH	2.4									
QHU09		2.3	3.5%	0.100	3	0.1	56	0	-	-
SCB	81.0									
SCBU09		73.0	11.0%	-	-	-	5	0	-	-
SCC	231.0									
SCCU09		229.0	0.9%	1.000	2	1.0	16	-2	-	-
TTA	26.3									
TTAU09		26.6	-1.3%	3.751	141	0.5	405	14	-	-

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