

**KS-Derivatives**

Thailand Strategy  
02 October 2009

**Actions:**

- Hold on to all of the Long position in S50Z09. If the barrier at 524 is broken, the next profit-taking point will be at 530 pts. Stop-loss will be updated as the market will be very volatile today.
- Figure 1: Hold the long position on a high-risk/high-return basis, with an aim to breach the 524 barrier and take profit at 530 in the chart. But a stop-loss line will be updated again at the close.
- Figure 2: Upside of the SET50 is 527 pts.
- The SET50 will likely correct before rebounding amid expectations the US will release weak unemployment data later on Friday, although the market has anticipated some of the bad news already. Additionally, many economic indicators are signaling a recovery in the world economy. Examples include the better-than-expected improvement in China's PMI, the upward revision of consensus projections around the world, and the IMF's upward adjustment of its world GDP projection. Also, liquidity is excessive at the moment, driving investors to put money in stock markets, especially in Asia. These factors will push the SET to test 800 pts by the end of the year.

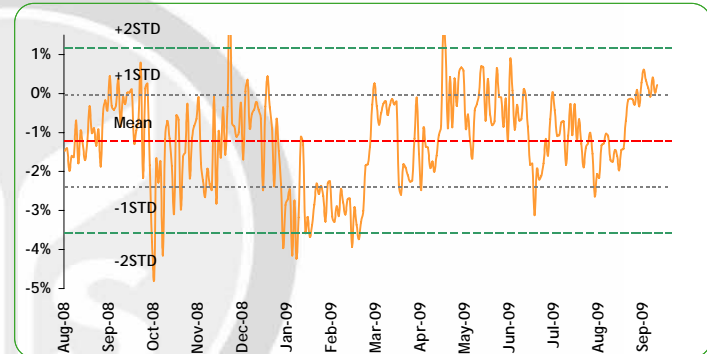
Figure 1: Technical Analysis



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	263.0	16.5%	Up	269.0	6.0	1.7
PTTEP	145.5	10.7%	Up	150.0	4.5	1.5
ADVANC	95.3	6.3%	Up	97.0	1.8	0.5
BBL	127.0	5.4%	Neutral	127.0	0.0	0.0
SCC	223.0	5.9%	Up	236.0	13.0	1.6
SCB	88.0	6.6%	Neutral	88.0	0.0	-0.0
BAY	19.8	2.7%	Neutral	19.8	0.0	0.0
DTAC	42.8	2.2%	Up	45.0	2.3	0.5
PTTCH	74.8	2.5%	Up	82.8	8.0	1.2
TOP	45.5	2.1%	Up	47.0	1.5	0.3
(Sum)		60.8%				7.5
Last	519.8		Up	527.3		

Figure 3: SET50 Futures Premium



\*SD = Standard Deviation

**TECHNICAL VIEW ON STOCK FUTURES**

Figure 4: PTTEP09 Futures



- Figure 4. Hold on to Long PTTEPZ09 through the volatility and aim for a rebound from the oversold zone in the chart. Set a stop-loss for half the position if PTTEP spot closes below 141.

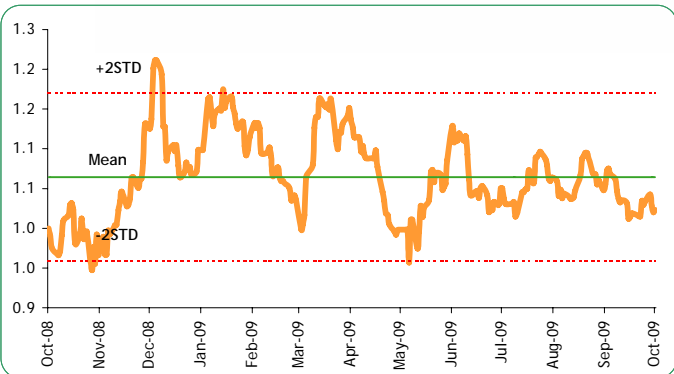
Figure 5: PTTZ09 Futures



- Figure 5. Hold the Long position in PTTZ09 but set a stop-loss for the remaining position if PTT futures closes below 251 in the chart.

**PAIR TRADE ACTION**

Figure 6: Price Relative Between PTTEP / PTT



- Figure 6: Based purely on fundamentals, we recommended holding Long PTTEPZ09 and Short PTTZ09 after PTT and many of its subsidiaries were forced to suspend operations in Map Ta Phut following a legal challenge from an environmental NGO. PTTEP does not operate in that area.

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 7: SET50 Change & Open Interests

	Index	Change %	Net Long / Short Contracts		
			Institutions	Foreign	Retail
LAST	519.8		172	972	-1,144
			Cumulative Net Long / Short Contracts		
-2D	511.8	1.6%	-1,673	1,705	-32
-1W	520.0	-0.0%	134	281	-415
-1M	467.5	11.2%	-6,685	6,705	-20
YTD	316.5	64.3%	-3,702	15,460	-11,758
Estimated Outstanding			-9,926	23,467	-13,559

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	510.9	3.9	0.8%	7,796	3,287	513.0	-0.4%	
S50Z09	29-Sep-09	519.4	7.9	1.5%	16,943	7,558	524.9	-1.0%	
S50H10	31-Dec-09	518.6	7.5	1.5%	516	468	527.4	-1.7%	
S50M10	31-Mar-10	517.0	7.0	1.4%	166	33	529.0	-2.3%	
Call Option	Strike Price	Premium	Volume	Open Int.	Put Option	Strike Price	Premium	Volume	Open Int.
Z09	480	50.0	1	1	Z09	480	11.0	3	28
Z09	490	43.5	2	21	Z09	490	12.3	0	13
Z09	500	37.5	29	56	Z09	500	20.0	8	62
Z09	510	32.0	3	57	Z09	510	22.0	4	30
Z09	520	25.2	1	83	Z09	520	28.0	2	57
Z09	530	23.0	29	55	Z09	530	31.2	0	10

Figure 9: 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	263.0									
PTTZ09		265.8	-1.1%	-	3	10.8	23	1	265.6	0.1%
PTTEP	145.5									
PTTEPZ09		147.0	-1.0%	0.009	64	0.7	319	30	149.1	-1.4%
ADVANC	95.3									
ADVANCZ09		96.0	-0.8%	0.002	22	0.2	96	12	96.2	-0.2%
BANPU	432.0									
BANPUZ09		440.0	-1.8%	37.900	1	37.9	4	0	-	-
BBL	127.0									
BBLZ09		98.5	28.9%	-	-	-	-	-	-	-
ITD	3.8									
ITDZ09		3.9	-3.1%	0.100	665	0.1	2883	605	-	-
KBANK	85.5									
KBANKZ09		84.6	1.1%	9.439	64	0.7	319	30	-	-
KTB	9.3									
KTBZ09		9.5	-2.1%	2.212	236	0.3	806	135	-	-
LH	6.8									
LHZ09		6.8	-0.7%	0.613	91	0.2	402	60	-	-
QH	2.4									
QHZ09		2.5	-2.4%	0.100	92	0.1	228	73	-	-
SCB	88.0									
SCBZ09		73.3	20.1%	-	-	-	-	-	-	-
SCC	223.0									
SCCZ09		223.0	0.0%	3.000	9	3.0	32	2	-	-
TTA	27.3									
TTAZ09		27.5	-0.9%	6.494	238	1.0	668	62	-	-

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