

## KS-Derivatives

Thailand Strategy  
09 October 2009

### Actions:

- After having taken some profit at around 538-540 pts, hold on to the rest of the Long position in S50Z09. The next target is at 545 pts. Stop-loss will be updated.
- Figure 1: Having breached 524, hold the long position, with an aim to take some profit at 538-540 (adjusted from 536-538). Maintain the remaining position with a higher target, as shown in the chart. Stop-loss will be updated based on the closing price.
- Figure 2: Upside for the SET50 is 537 pts.
- The SET50 is expected to jump, with the Energy sector now driving the market upward instead of Banks. The decline in the US Dollar Index has prompted commodities and especially oil prices to surge. Furthermore, recent US economic data, most recently initial jobless claims, have been better-than-expected, fueling hopes for a world economic recovery. Lastly, the Baltic Dry Index has risen further in line with the improving world economic outlook. Combined, these factors will push the SET to test 800 pts by the end of the year.

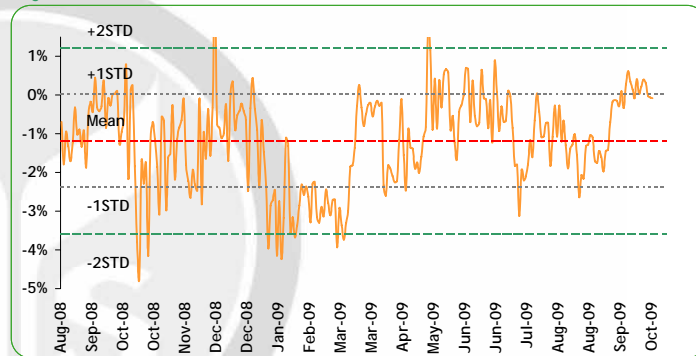
Figure 2: SET50 Top 10 Movers

Top 10 (Bt)	Current price (A)	%Mkt Cap	Direction	S-T Target (B)	Up/Downside (B-A)	Impact on SET50
PTT	267.0	16.4%	Up	269.0	2.0	0.6
PTTEP	147.5	10.6%	Up	150.0	2.5	0.8
ADVANC	94.3	6.1%	Up	97.0	2.8	0.8
BBL	129.5	5.4%	Up	132.0	2.5	0.5
SCC	230.0	6.0%	Up	236.0	6.0	0.7
SCB	89.5	6.6%	Up	90.5	1.0	0.3
BAY	20.6	2.7%	Up	21.2	0.6	0.4
DTAC	43.0	2.2%	Up	45.0	2.0	0.5
PTTCH	78.0	2.5%	Up	82.8	4.8	0.7
TOP	46.5	2.1%	Up	47.0	0.5	0.1
(Sum)		60.4%				5.4
Last	531.5		Up	536.9		

Figure 1: Technical Analysis



Figure 3: SET50 Futures Premium



\*SD = Standard Deviation

### TECHNICAL VIEW ON STOCK FUTURES

Figure 4: PTTEP09 Futures



- Figure 4. Hold on to the long position in PTTEPZ09 through the volatility and aim for a rebound from the oversold zone. If PTTEPZ09 breaks out above 150, aim to take some profit at 161-162, as shown in the chart. But set a stop-loss for half the position if PTTEP spot closes below 143.5

Figure 5: PTTU09 Futures



- Figure 5. Hold on to the long position in PTTZ09 and ride the zigzag up the chart to take some profit at 280-283 pts. Stop-loss line will be updated, based on the closing price.

### PAIR TRADE ACTION

- Pair trading signal is still not 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	531.5		-2,016	733	1,283
			Cumulative Net Long / Short Contracts		
-2D	530.0	0.3%	-3,162	2,531	631
-1W	519.8	2.2%	-4,114	4,901	-787
-1M	496.7	7.0%	-11,767	5,666	6,101
YTD	316.5	68.0%	-8,499	19,484	-10,985
Estimated Outstanding			-14,723	27,491	-12,786

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(%)	
S50Z09	31-Dec-09	534.1	3.1	0.6%	17,622	9,553	536.4	-0.4%	
S50H10	31-Mar-10	534.4	4.0	0.8%	1,036	974	540.2	-1.1%	
S50M10	30-Jun-10	532.9	3.3	0.6%	174	47	542.1	-1.7%	
S50U10	30-Sep-10	532.1	3.1	0.6%	17	16	544.8	-2.3%	
Call Option	Strike Price	Premium	Volume	Open Int.	Put Option	Strike Price	Premium	Volume	Open Int.
Z09	500	51.0	5	91	Z09	500	10.5	18	105
Z09	510	44.9	14	61	Z09	510	16.0	12	104
Z09	520	38.8	15	108	Z09	520	19.5	23	92
Z09	530	30.0	18	225	Z09	530	27.0	205	220
Z09	540	24.1	10	166	Z09	540	30.0	8	91
Z09	550	21.4	47	105	Z09	550	31.3	23	48

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	267.0									
PTTZ09		268.0	-0.4%	0.003	12	-	38	2	269.6	-0.6%
PTTEP	147.5									
PTTEPZ09		149.7	-1.5%	0.010	66	1.2	379	1	151.1	-1.0%
ADVANC	94.3									
ADVANCZ09		95.4	-1.2%	0.002	24	1.7	122	8	95.2	0.2%
BANPU	446.0									
BANPUZ09		440.0	1.4%	-	-	-	3	0	-	-
BBL	129.5									
BBLZ09		98.5	31.5%	-	-	-	-	-	-	-
ITD	3.8									
ITDZ09		3.8	-0.5%	-0.200	367	-0.2	4528	261	-	-
KBANK	89.0									
KBANKZ09		89.5	-0.6%	9.854	66	1.2	379	1	-	-
KTB	10.0									
KTBZ09		10.2	-2.5%	1.870	184	-0.1	2156	61	-	-
LH	6.9									
LHZ09		6.9	-0.7%	0.564	81	-0.1	988	7	-	-
QH	2.7									
QHZ09		2.7	1.5%	-	167	-	510	33	-	-
SCB	89.5									
SCBZ09		73.3	22.1%	-	-	-	-	-	-	-
SCC	230.0									
SCCZ09		230.0	0.0%	1.500	4	1.5	32	1	-	-
TTA	31.3									
TTAZ09		31.5	-0.8%	12.152	391	1.7	663	44	-	-

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