

Notification of the Bank of Thailand

ITG No. 2/2550

Re: Prices of Debt Instruments that the Bank of Thailand shall purchase from Financial Institutions for Intraday Liquidity Facilities

1. Rationale and Necessities

To designate a price of Debt Instruments which Bank of Thailand shall purchase and sell with financial institutions for Intraday Liquidity Facilities covering Floating Rate Debt Instruments.

2. Authority

By virtue of the provision of the Article 1 (1) of the Bank of Thailand Regulation on Purchase of Debt Instruments under Repurchase Contract for Intraday Liquidity Facilities.

3. Revocation

Notification of the Bank of Thailand Re: Prices of Debt Instruments that the Bank of Thailand shall purchase from Financial Institutions for Intraday Liquidity Facilities dated 12th April B.E. 2549.

4. Scope of enforcement

This notification is to enforce financial institutions which signed Letter of Agreement to benefit and abide by Bank of Thailand Regulation on Purchase of Debt Instruments under Repurchase Contract for Intraday Liquidity Facilities.

5. Content

The Bank of Thailand shall purchase debt instruments from participants according to market prices¹ deducted by haircut that classified by debt instruments types and maturity date as follows:

¹ Market Prices published by The Thai Bond Market Association (ThaiBMA) shall be calculated as debt instruments formula issuing by the Bank of Thailand. The BOT formula will use compensation rate at the end of previous day that is the day before securities trading and delivering (In case where unable to display compensation rate at the end of previous day, shall use the compensation rate of the latest date that can be displayed.) In case no market prices published by ThaiBMA, they shall be calculated by methods as the Bank of Thailand set and published in website of the Bank of Thailand.

Debt Instruments types and Maturity Date	Haircut (per cent)
<p><i>Maturity Date 0-1 Year</i></p> <p>- Treasury Bills, Debt Restructuring Bills, Government Bonds, Bank of Thailand Bonds having maturity not over one year, Bank of Thailand Fixed-coupon and Floating Rate Bonds having maturity over one year, Debt instruments or Debentures issued by government organizations or state enterprises or specialized financial institutions which the Bank of Thailand is registrar and payment agent.</p>	1
<p><i>Maturity Date >1 Year</i></p> <p>- Bank of Thailand Floating Rate Bonds having maturity over one year</p> <p>- Government Bonds, Bank of Thailand Fixed-coupon Bonds having maturity over one year</p> <p>- Debt instruments or Debentures issued by government organizations or state enterprises or specialized financial institutions which the Bank of Thailand is registrar and payment agent.</p>	<p style="text-align: center;">1</p> <p style="text-align: center;">4</p> <p style="text-align: center;">4.5</p>

6. Effective Date

This notification shall be in force on 13th March B.E. 2550 onwards.

Given on 12th March B.E. 2550

(Signed)

(Mrs. Tarisa Watanagase)
Governor
Bank of Thailand