

Notification of the Bank of Thailand
ITG No. 1/2550
Re: Compensation Rate on Sell/Purchase of Debt Instruments and
Calculation Methods (First Amendment)

1. Rationale and Necessities

To conform to measures in the Reform Plan of Monetary Policy Operation Framework, thus the Bank of Thailand deems appropriate to improve the compensation rate in case financial institutions make use of overnight intraday liquidity facilities and in case the repurchase right of financial institutions to buy back debt instruments used for overnight intraday liquidity facilities is ended.

2. Authority

By virtue of the provision of the Article 3 (5) and the Article 3 (6) of the Bank of Thailand Regulation on Purchase of Debt Instruments under Repurchase Contract for Intraday Liquidity Facilities.

3. Amendment

This notification is to amend the notification of the Bank of Thailand Re: Compensation Rate on Sell/Purchase of Debt Instruments and Calculation Methods 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

Article (1) of the notification of the Bank of Thailand Re: Compensation Rate on Sell/Purchase of Debt Instruments and Calculation Methods dated 12th April B.E 2549 shall be repealed and replaced with this following contents.

“(1) The Bank of Thailand shall calculate the compensation for selling back debt instruments on the next business day after repurchase and the compensation for seizing debt instruments of financial institutions which end of repurchase right at the BOT policy rate on the purchase date plus 0.5 per cent per annum.”

6. Effective Date

This notification shall be in force on 17th January B.E. 2550 onwards.

Given on 17th January B.E 2550

(Signed)

(Mrs. Tarisa Watanagase)

Governor

Bank of Thailand