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Table code	FM_RT_001
Title	Interest Rates in Financial Market (1978-2004)
Frequency ,Lag time and Release schedule	<p>Frequency Monthly Lag time 10 days Release schedule Preliminary figures : Day 10 th Actual figures (with revision, if necessary) : The subsequent scheduled release.</p>
<p>Summary Methodology</p> <ul style="list-style-type: none"> • Analytical Framework, Concepts, Definitions, and Classifications • Scope of the data • Accounting Conventions • Nature of the Basic Data Sources • Compilation Practices 	<p>Interest Rate refers to the rate of return or amount of money, which borrowers are obliged to pay the creditors on the condition that full borrowed amount would be repaid back in the future, as per agreement. Interest rates can be categorized as follows:</p> <ol style="list-style-type: none"> 1. Interbank Rate is the short-term money market interest rate which the lending bank charges the borrowing bank on the loan borrowed for the purpose of bridging the liquidity gap. Such lending may be in the form of at-call loans or in the form of fixed term loans, with maturity varying from 1 day to 6 months. In practice, around 50-70 percent, of all Interbank lending are “overnight” loan, followed by “at-call” loans. Note that loans made between financial institutions are termed “interfinance” loans, and similarly the interest rates charged are referred as the “Interfinance” Rates. 2. Lending rate: <ol style="list-style-type: none"> 2.1 Minimum Lending Rate (MLR) (or Minimum Loan Rate) refers to the interest rate at which the lending commercial bank charges its most creditworthy major borrowers on loans with pre-specified repayment schedules. 2.2 Minimum Overdraft Rate (MOR) refers to the interest rate at which the lending commercial bank charges its most creditworthy major borrowers on overdrafts. 2.3 Minimum Retail Rate (MRR) refers to the interest rate at which the lending commercial bank charges its most creditworthy retail borrowers on loans. This rate, when used in conjunction with the MLR, reflects the difference in risk premium between major and retail borrowers, with the interest rate differential set by the commercial banks, up to the maximum ceiling of 4 % p.a. BOT abolished the 4% ceiling limit since the issuance of BOT Circular dated August 10, 2001, as way to promote fair competition in the credit service to better meet the various demands of bank customers. 3. Reference Rate used to be the interest rate announced by BOT every Friday as a reference benchmark interest rates against which Thai domestic commercial banks must fix their respective deposits rates for the following week. Reference rates were available for savings account as well as 3, 6 and 12-month deposits, and were calculated as the average of rates quoted by 5 domestic commercial banks (namely, the Bangkok Bank Pcl., the Kasikorn Bank Pcl., the Siam Commercial Bank Pcl., the Krung Thai Bank Pcl. and the Bank of Ayudhya Pcl). On February 17, 2004, BOT concluded the Reference rates and has since allowed commercial banks to set their own interest rates freely to the benefits of depositors. 4. Repurchase Rate refers to interest rate quoted in the repurchase market, where BOT serves as the bond registry, agent of payment, and direct counterparty to each market participant. The underlying assets qualified for

Metadata

	<p>uses in this repurchase market are government bonds, BOT bonds, and state enterprise bonds with government guarantee over principals and interests. BOT repurchase market exists for 1, 7, and 14 days, as well as 1, 2, 3 and 6 months maturities. Note that BOT uses the 1 day repurchase rate as the policy rate or intermediate target under the pursued inflation targeting monetary policy framework.</p> <p>5. Bank Rate refers to the interest rate that would be charged on loans made to financial institutions by BOT acting in its capacity as 'lender of last resort' where each lending limit was based on the financial institution's own deposit base. Designed for financial institutions to bridge their short-term (7 days maximum) financing and liquidity needs resulted from some shocks (e.g., money market volatility or excessive public withdrawals), this form of lending should help bolster and restore public confidence in the overall payment system. Government papers were typically used as collateral (such as government bonds, BOT bonds and FIDF bonds). According to the BOT notification dated September 25, 2001, Bank rate was abolished and replaced by the End-of-Day Liquidity Rate since October 1, 2001.</p> <p>6. End-of-Day Liquidity Rate refers to the interest rate that would be charged on loans made to financial institutions under security repurchase agreement for end-of-day liquidity adjustment need. The rate is set to be equal to the BOT policy rate plus a margin of 1.5 %. On Jan 17, 2007, End-of-day Liquidity Rate was separated into Lending Facility and Borrowing Facility.</p> <p>Data cover domestic money market interest rates, namely the interbank rates, repurchase market rates, foreign exchange swap rates, End-of-day Liquidity Rate, as well as bond market rates, deposit rates and lending rates of financial institutions. Foreign interest rates such as US interest rates, LIBORs, and SIBORs are also compiled.</p> <p>Data on money market interest rates are over-the-month average of daily rates, obtained from daily money market transactions. Data on deposit rates and lending rates are month-end outstanding rates as quoted by financial institutions. Deposit and lending rates of the five domestic commercial banks (namely, the Bangkok Bank Pcl., the Kasikorn Bank Pcl., the Siam Commercial Bank Pcl., the Krung Thai Bank Pcl. and the Bank of Ayudhya Pcl), are collected and the rates are presented in a minimum-maximum interval.</p>
Source of data	Bank of Thailand
Accessibility	BOT's website (http://www2.bot.or.th/statistics/ReportPage.aspx?reportID=222&language=eng).
Revision policy	-

Financial Markets Statistics Team
Data Management Department
 Tel. 66(0)2283-5141