



BANK OF THAILAND NEWS

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The obligations and privileges in the primary market of primary dealers for outright transactions

The Ministry of Finance, in collaboration with the Bank of Thailand has set the obligations and privileges in the primary market of primary dealers for outright transactions in addition to the Bank of Thailand press release No. 16/2002 dated 29 April 2002. The details are as follows:

Obligations

1. Maintain the minimum amount allotted in the primary market auction as follows:

| Security Type | Auction Requirement* |
|-----------------------------------|---|
| Treasury Bill | Average not less than 3 percent of all Treasury Bill auction amount |
| Government Bond | Average not less than 3 percent of all Government Bond auction amount |
| FIDF Bond (government-guaranteed) | Average not less than 2 percent of all FIDF Bond (government-guaranteed) auction amount |

There will be regular assessment of the above auction requirements at every six-month interval.

2. Submit Non-competitive Bids (NCB) on behalf of their customers and guarantee their payment if the bids are successful (in accordance with the rules and regulations set by the Ministry of Finance)

Privileges

1. Only primary dealers for the outright transaction are eligible to submit NCB
2. Consultation opportunity with the Ministry of Finance in formulating the government security issuance plan.

Bank of Thailand

22 July 2002

* Exclude the amount allotted from non-competitive bids