



BANK OF THAILAND NEWS

Communications and Relations Office, Management Assistance Department
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Re: The Bank of Thailand appointed primary dealers for bilateral repo transactions

To facilitate the bond market development as well as to enhance the efficiency in conducting monetary operations, the Bank of Thailand announced the appointment of the following 9 financial institutions as primary dealers for bilateral repo transactions, effective from October 1, 2002:

1. Bangkok Bank PCL.
2. Thai Farmers Bank PCL.
3. Citibank, N.A., Bangkok branch
4. Deutsche Bank AG., Bangkok branch
5. Siam Commercial Bank PCL.
6. The Standard Chartered Bank, Bangkok branch
7. Bank of Asia PCL.
8. ABN-Amro Bank N.V., Bangkok branch
9. The Hong Kong and Shanghai banking Corp., Ltd., Bangkok branch

Obligations of primary dealers for bilateral repo transactions

1. To submit bids and/or offers for bilateral repo transactions in open market operations with the Bank of Thailand, according to all relating Bank of Thailand's regulations and notifications, at reasonable yields and significant amount.

2. To be intermediaries in transmitting bilateral repo transactions from the Bank of Thailand to other market participants at reasonable yields.

3. To provide if any other market participants the liquidity absorption and/or injection received from the Bank of Thailand.

4. Cooperate with the authorities upon request.

Privileges of primary dealers for bilateral repo transactions

1. Exclusive right to be counterparties for bilateral repo transactions with the Bank of Thailand.

2. Coordinate with the Bank of Thailand in developing and monitoring the money market.

Criteria for the selection

The Bank of Thailand employs several criteria for selecting primary dealers for bilateral repo transactions to ensure that primary dealers for bilateral repo transactions can absorb the liquidity and/or bonds at the significant amount from the Bank of Thailand and enable to transmit those liquidity and/or bonds to other market participants if necessary. In addition, primary dealers for bilateral repo transactions must have sufficient risk management and operational controls for bilateral repo transactions.

The list of primary dealers for bilateral repo transactions will be reviewed periodically to encourage competition among financial institutions.

Bank of Thailand

4 October 2002