



## **BANK OF THAILAND NEWS**

Communications and Relations Office, Management Assistance Department  
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**No. 23/2004**

**Re: The Sale of Government Savings Bonds Fiscal Year 2004 in the Amount of 70,000**

**Million Baht**

On 30 July 2004, the Ministry of Finance, the Bank of Thailand, the Financial Institutions Development Fund, 13 Thai commercial Banks, and the Government Savings Bank signed an agreement for the sale of savings bonds (fiscal year 2004) in the amount of 70,000 million baht. The savings bonds will be issued by the Ministry of Finance (MOF) with the Bank of Thailand (BOT) as the registrar and administrative agent.

The savings bonds will have maturities of 7 and 10 years. This is deemed suitable for those wishing to have long term savings while at the same time receiving regular income. The coupon rates will be announced by the Ministry of Finance on 10 August 2004 via the websites of the Ministry of Finance, the Bank of Thailand and all designated selling agent banks. The subscription period will be between 16-20 August 2004.

To ensure that the 70,000 million baht of savings bonds be distributed to as many people and eligible entities as possible, the bonds will be sold nationwide through branches of Thai commercial banks and the Government Savings Bank. Together they will provide an extensive network of over 4,300 branches.

Although these savings bonds do not have a buy-back feature, bond holders who need liquidity may, after 1 year, sell the bonds to any designated banks as well as other financial institutions and individuals, at mutually agreed prices. Savings bonds holders will receive coupon payments every six months and the principal payments on the maturity dates.

The issuance of the savings bonds is in accordance with the Emergency Decree Empowering the Ministry of Finance to Borrow Money and Manage the Borrowed Money for the Financial Institutions Development Fund, Phase 2, B.E. 2545. In 2002, the Ministry of Finance had successfully issued 305,000 million baht of savings bonds with maturities of 5, 7 and 10 years.

Bank of Thailand

30 July 2004

For more information please see [annex](#)