

**No. 2/2018****The Planned Issuance Programme for Bank of Thailand Bonds in 2018**

The Bank of Thailand (BOT) regularly issues BOT bonds as an instrument of monetary policy to manage money market liquidity while fostering a liquid and efficient debt securities market in Thailand. The BOT has communicated the planned programme of issuance of BOT bonds annually to enhance effectiveness of market participants' liquidity management.

For 2018, the planned programme of issuance of BOT bonds has been put together following consultations with market participants, taking into consideration projected liquidity conditions, government's funding plans and bond market conditions, as follows:

1. Auction schedule

The issuance frequency of 2-year bond will be changed from every even month to every month, in accordance with the elevated liquidity conditions. The new issuance of the 2-year bonds will be changed to February, May, August, and November, with each issue reopened once a month in the two following months in order to enhance its secondary market liquidity. For other types of bonds, the auction days of the week and issuance frequencies will remain the same.

Type of Bond	Auction Day	Auction Frequency
1. Bill		
- Cash Management Bill (<15-day)	Friday	As appropriate
- 1-month	Tuesday	As appropriate
- 3- and 6-month	Tuesday	Every week
- 1-year	Tuesday	Every month
2. Fixed-coupon Bond		
- 2-year	Thursday	Every month
- 3-year	Thursday	Every odd month
3. Floating-rate Bond		
- 3-year	Friday	Every even month

2. Issue sizes

The maximum issue size of 2-year bonds will be lowered due to higher frequency while the maximum issue size of 3-year fixed-coupon bonds will be increased. For other types of bonds, the same range of issue sizes will be maintained. The details of the planned issue sizes are shown in the following table.

Type of Bond	Issue Size per Auction (Million Baht)	Outstanding per Issue* (Million Baht)	Number of Issues per Year
1. Bill			
- Cash Management Bill (<15-day)	10,000 – 50,000	10,000 – 50,000	As appropriate
- 1-month	10,000 – 30,000	10,000 – 30,000	As appropriate
- 3- and 6- month	20,000 – 60,000	20,000 – 60,000	50 - 52
- 1-year	20,000 – 60,000	60,000 – 198,000	4
2. Fixed-coupon Bond			
- 2-year	15,000 – 40,000	45,000 – 132,000	4
- 3-year	15,000 – 60,000	45,000 – 198,000	2
3. Floating-rate Bond			
- 3-year	8,000 – 15,000	96,000 – 198,000	1

* Outstanding per issue includes the additional amount from Post-Auction Option (PAO)

The BOT will consider the prevailing market conditions when determining issue sizes and maturity distribution of the bonds. In addition, the BOT will closely coordinate with the PDMO to take into account the forthcoming supply of government bonds and treasury bills. As usual, the monthly BOT bonds auction calendar with details of each specific issue will be announced on the BOT website.

Bank of Thailand
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More information: Monetary Operations Strategy Team

Tel: 0 2356 7529-31

E-mail: most@bot.or.th