



BANK OF THAILAND

BOT Press Release

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**Bank of Thailand clarifies that Non-Residents are able to trade
Non-deliverable OIS referencing THOR**

Ms. Vachira Arromdee, Assistant Governor for Financial Markets Operations Group, Bank of Thailand, revealed the development of the Thai Overnight Repurchase Rate (THOR) since the official launch in April 2020. THOR has been increasingly adopted in various financial instruments, including interbank lending, promissory notes, corporate bonds, corporate structured notes, and Bank of Thailand's floating-rate notes. Meanwhile, the derivatives market of Overnight Index Swap (OIS) referencing THOR has also shown promising development along with the cash market. Recently, the first Cross-Currency Swap (CCS) transaction referencing THOR was also executed.

The widespread adoption of THOR in financial markets will foster the liquidity of THOR OIS, which will benefit all market participants in managing their interest rate risk effectively. The THOR OIS market is still in its nascent stage of development, and thus requires supports from all market players to pave the way for a sustainable market development.

In this regard, the Bank of Thailand is pleased to clarify that non-resident market participants are able to trade both deliverable and non-deliverable THOR OIS with banks in Thailand, similar to tradings of other interest rate swap transactions. The THOR OIS transactions traded by non-residents are expected to be another key driver to help advance the development of the THOR derivatives market.

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