

# KINGDOM OF THAILAND BOND MARKET FINANCING THAILAND'S FUTURE & CONNECTING ASEAN



Public Debt Management Office,  
Ministry of Finance, Kingdom of Thailand



## ***Progress Update***

- » Committing to FY2016 Fund Raising Plan
- » GOVT Bond Auction Results
- » T-Bill Plan Q2/FY2016
- » GOVT Bond Auction Schedule Q2/FY2016
- » SOE Bond Auction Schedule Q2/FY2016
- » PDMO Bond Calendar FY2016
- » New Allotment Framework for NCB

## ***Basic & Essentials***

- » Bond Market Development Strategy
- » Public Debt Outstanding and Its Composition
- » Total Domestic Public Debt
- » Bond Market Capitalization and Its Composition
- » Supporting Inclusive Growth Through ASEAN Bond Market Integration
- » Non-Resident Holding in Domestic Bond

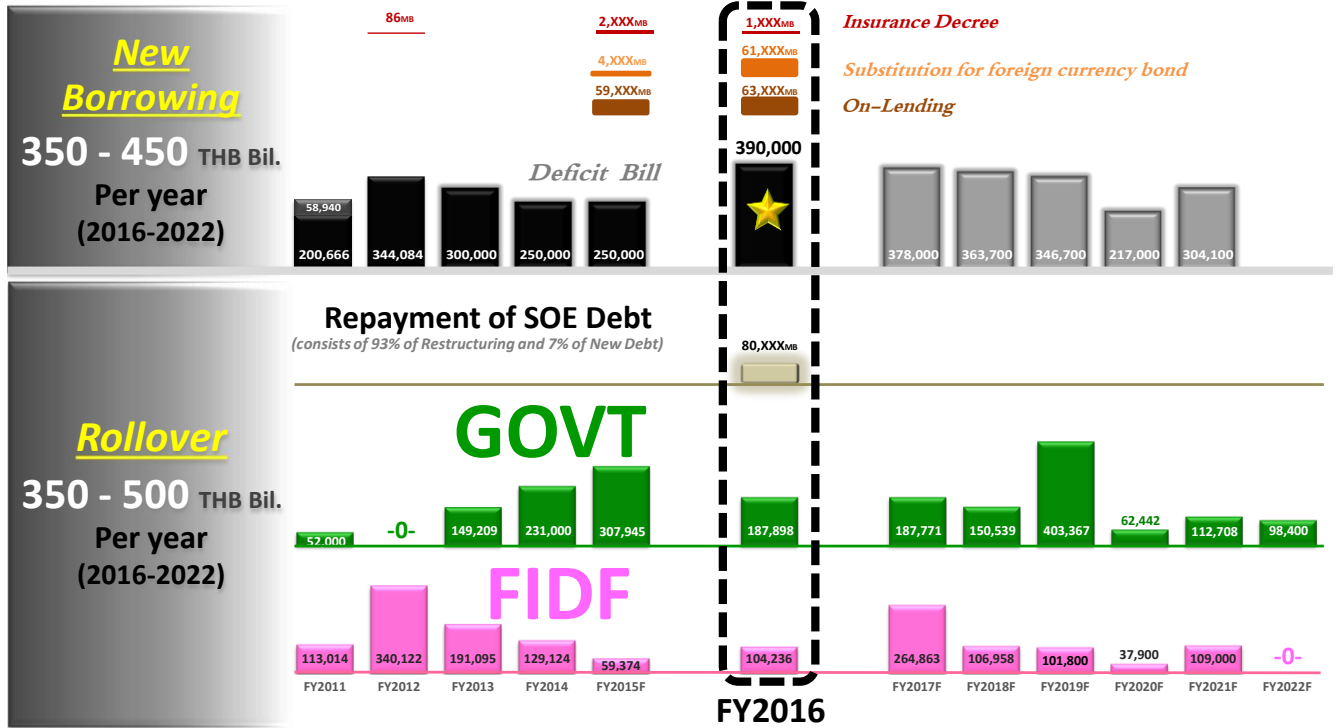


# Quick Facts

Public Debt Outstanding ( <i>as of Oct 2015</i> )	<b>5,867,373 THB Mil. (43.80% of GDP)</b>	<b>16</b>
Well-Developed Bond Market Improved GOVT <u>Direct</u> Debt Profile Dramatically ( <i>as of Oct 2015</i> )		<b>17</b>
» Average-Time-to-Maturity (ATM)	11yrs 3mths	
» Average Cost	3.85%	
» Well-Balanced Fixed : Floating Ratio	88 : 12	
» Well-Distributed Maturity Profile	40:20:40 (TTM<5 : 6-10 : >10yrs)	
Bond Market Capitalization ( <i>as of Dec 2015</i> )	<b>10,086,082 THB Mil. (75% of GDP)</b>	<b>18</b>
Liquidity & Secondary Market Trading	<b>92% of Trading Volume</b> <i>(Outstanding &gt; 100,000 THB Mil.)</i>	<b>19</b>
Baht Bond Outstanding and its Market Share ( <i>as of Dec 2015</i> )	<b>88,474 THB Mil. (1% of Bond Outstanding)</b>	<b>21</b>
Non-Resident Holding in Domestic Bond ( <i>as of Dec 2015</i> )		<b>24</b>
» Annual Capital Flow (YTD)	<b>-110,461 THB Mil.</b>	
▪ GOVT Bond :	-70,952 THB Mil.	
▪ BOT Bond :	-39,509 THB Mil.	
» NR Holding in THB Bond	<b>572,804 THB Mil. (5.7% of Thai Bond Market Cap.)</b>	
▪ GOVT Bond :	554,532 THB Mil. <b>(14.2% of GOVT Bond Outstanding)</b>	
▪ BOT Bond :	17,470 THB Mil. <b>(0.6% of BOT Bond Outstanding)</b>	
▪ Others :	802 THB Mil.	

# Progress Update

- Total Fund Raising Plan FY2016
  - T-Bills Plan Q2/FY2016
    - GOVT Bond Auction Results
      - GOVT Bond Auction Schedule Q2/FY2016
        - SOE Bond Auction Schedule Q2/FY2016
          - PDMO Bond Calendar FY2016
            - New Allotment Framework for NCB



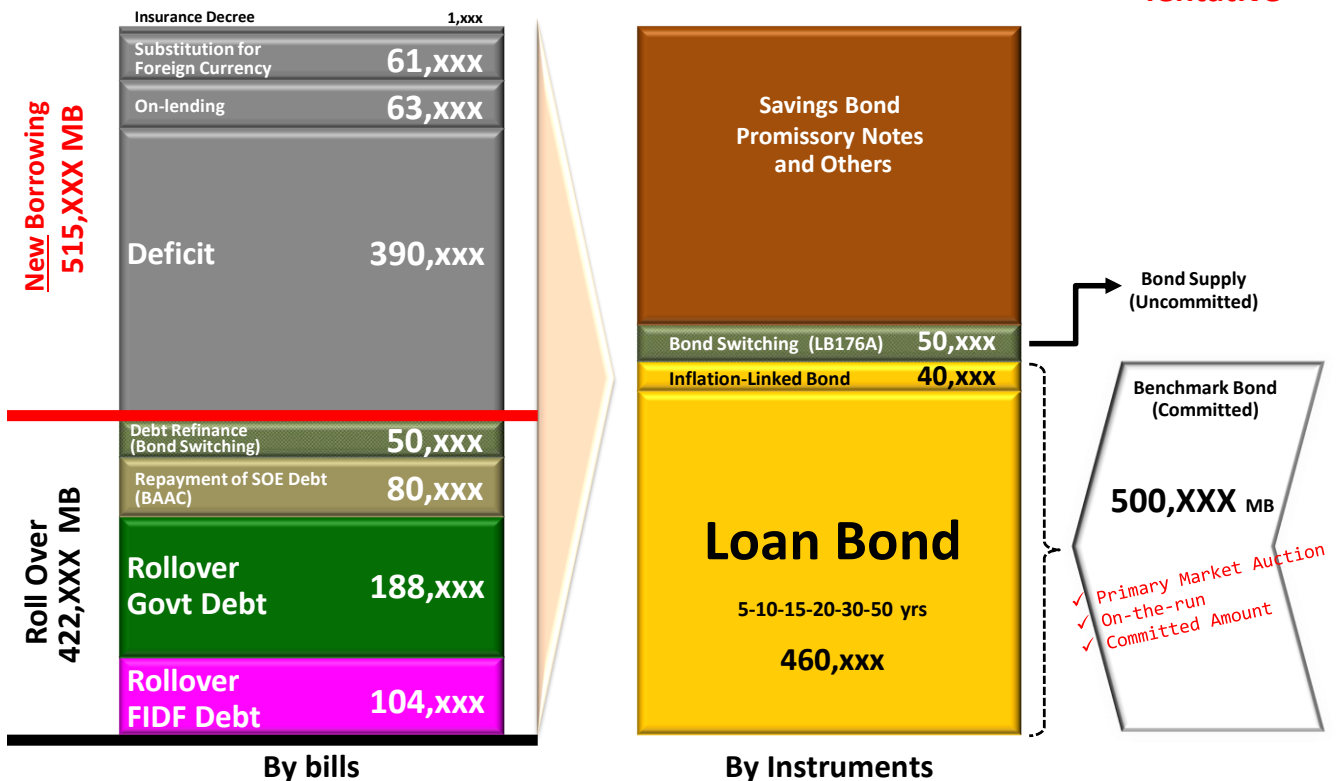
**FY 2016**

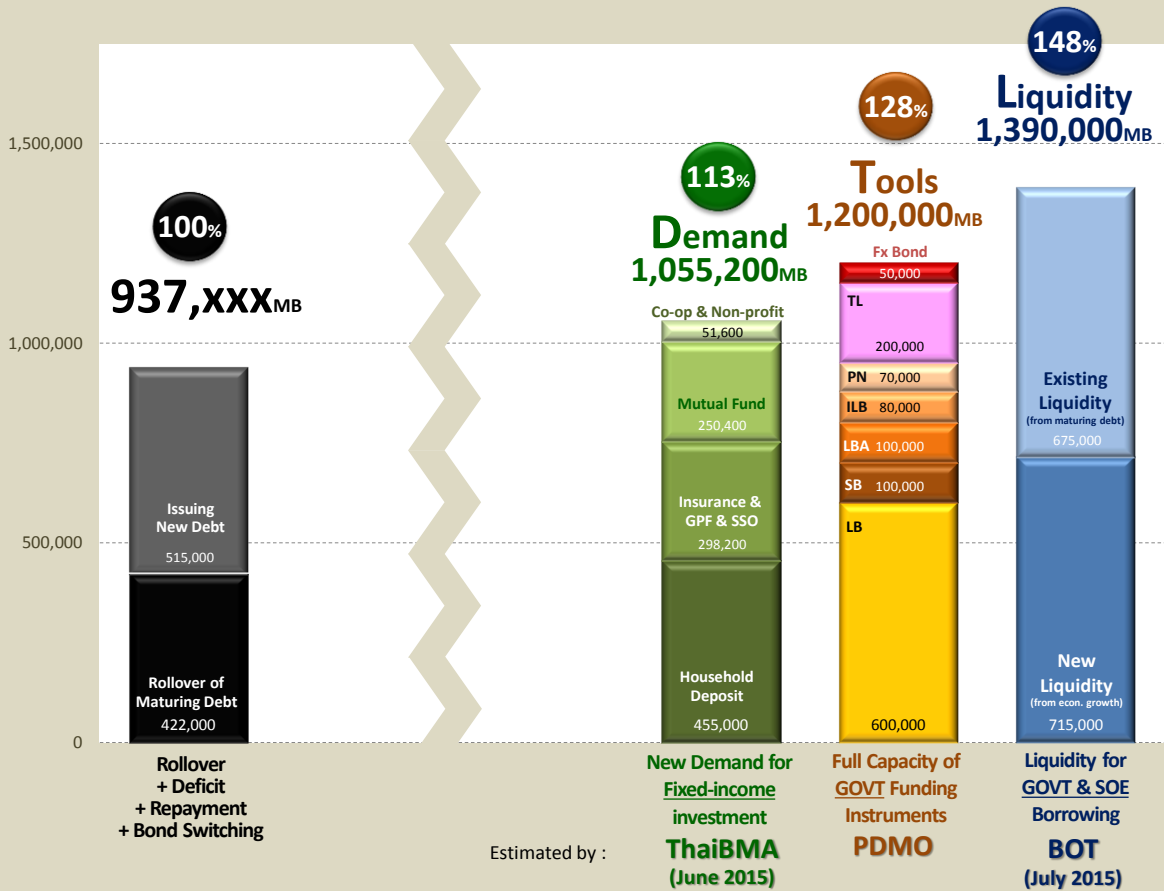
**Total GOVT Fund Raising Plan**

**937,XXX MB**

\* Include Infrastructure Investment

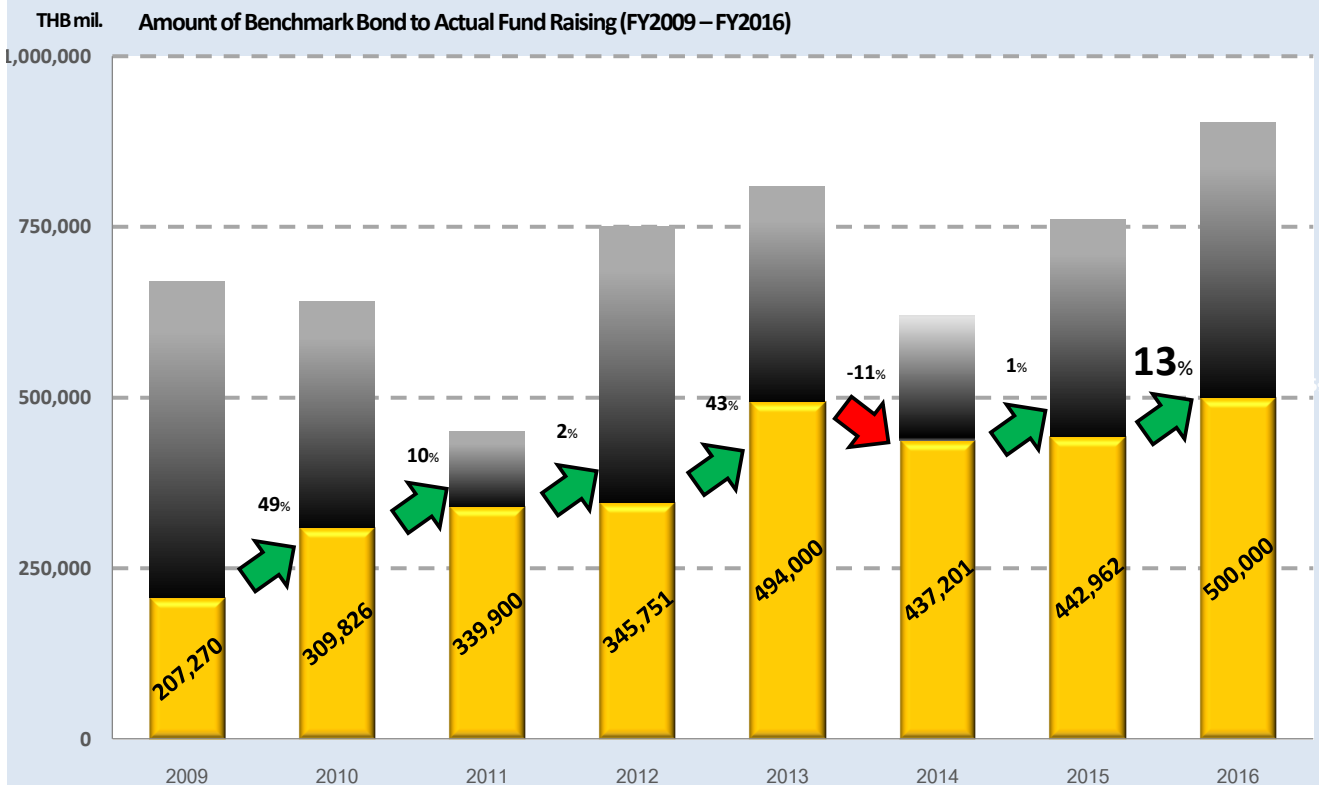
**-Tentative-**





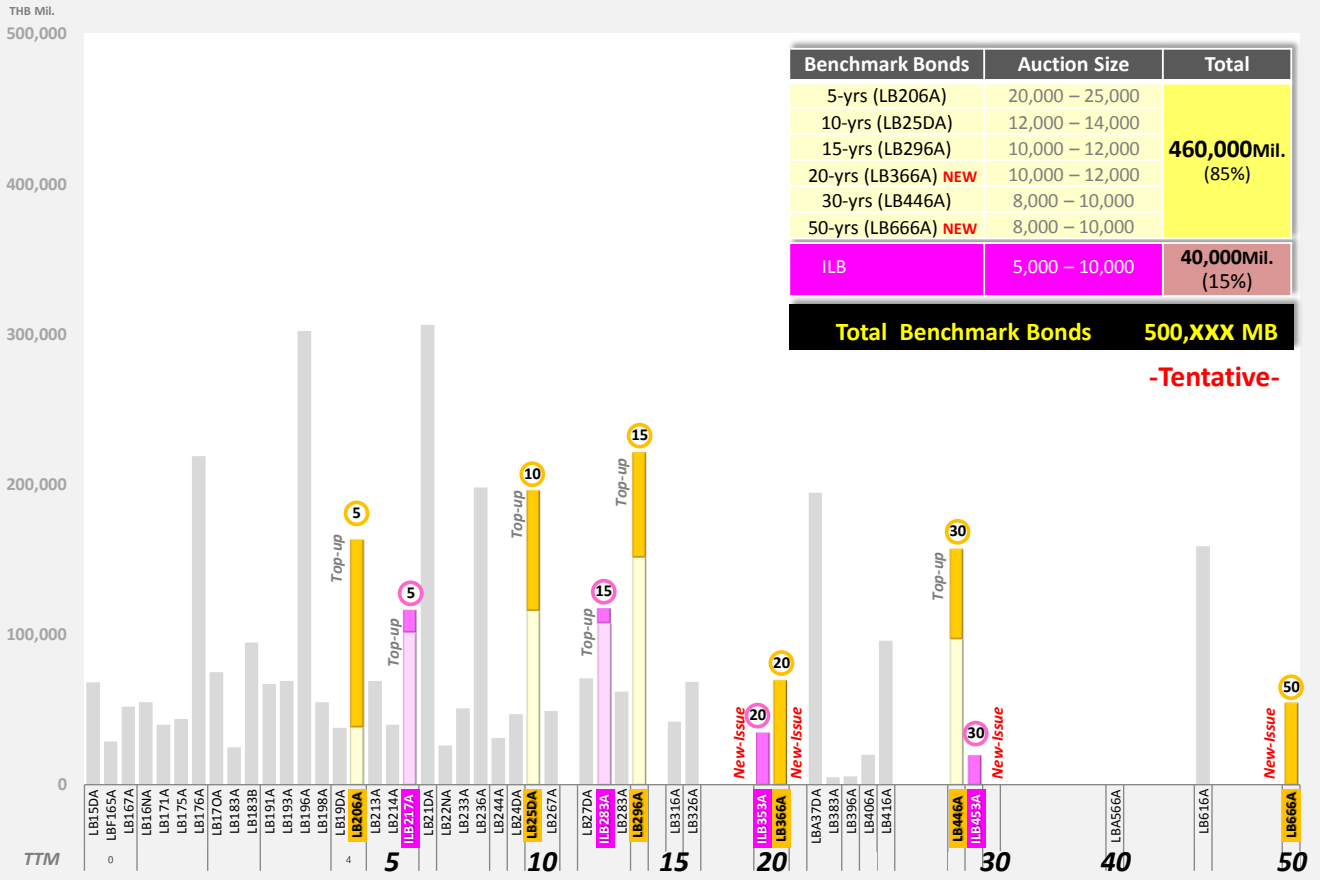
**Bond Supply has remained unchanged for two years**

**13% increase in FY2016**



# ALL FY2016 Benchmark Bond is approximately 500 Bil.

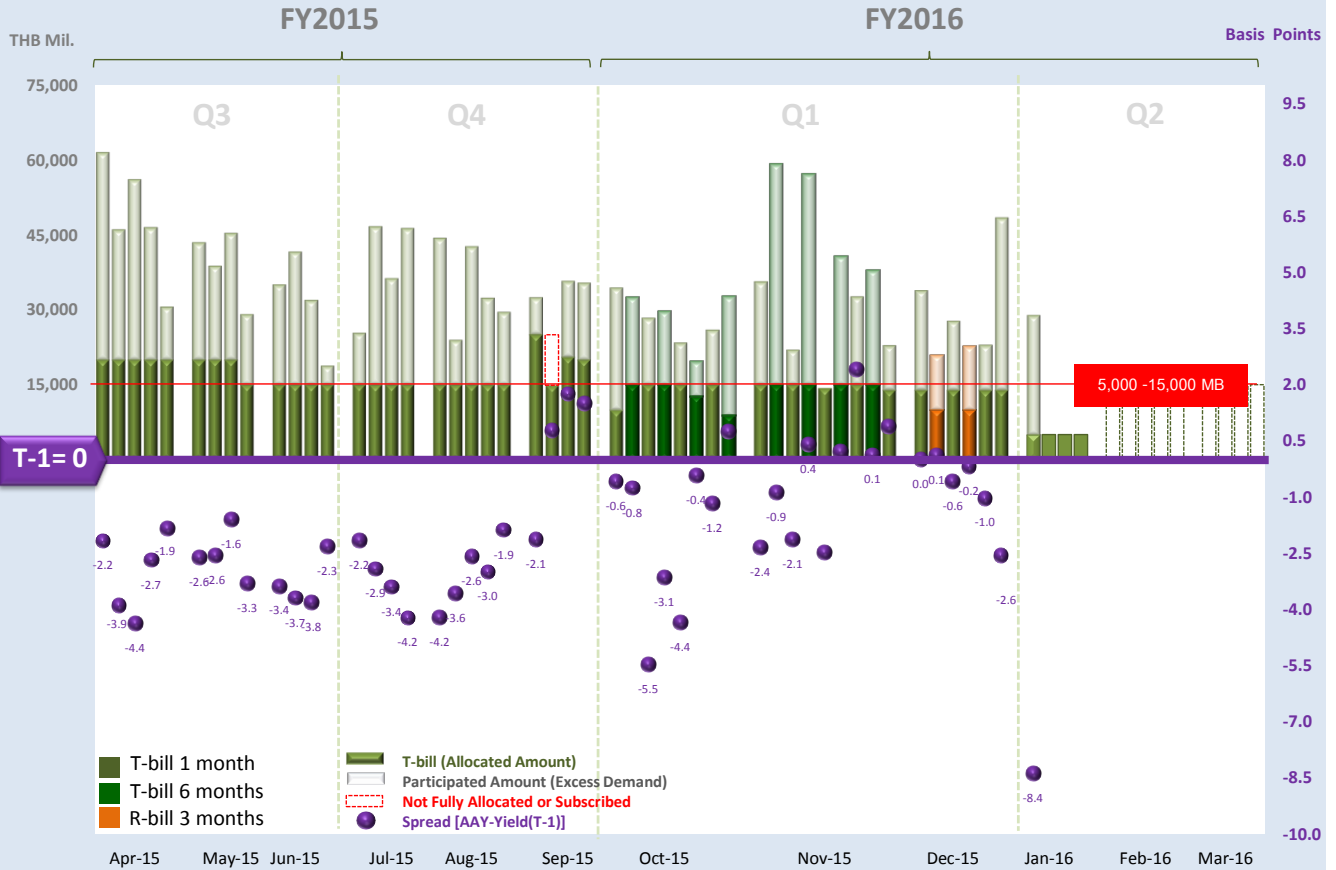
## 53% of FY2016 Funding Needs 937 Bil.



### FY2015-16

### T-Bill Auction Result

- ✓ Low Cost of Funding
- ✓ High Volume of Short-term Demand

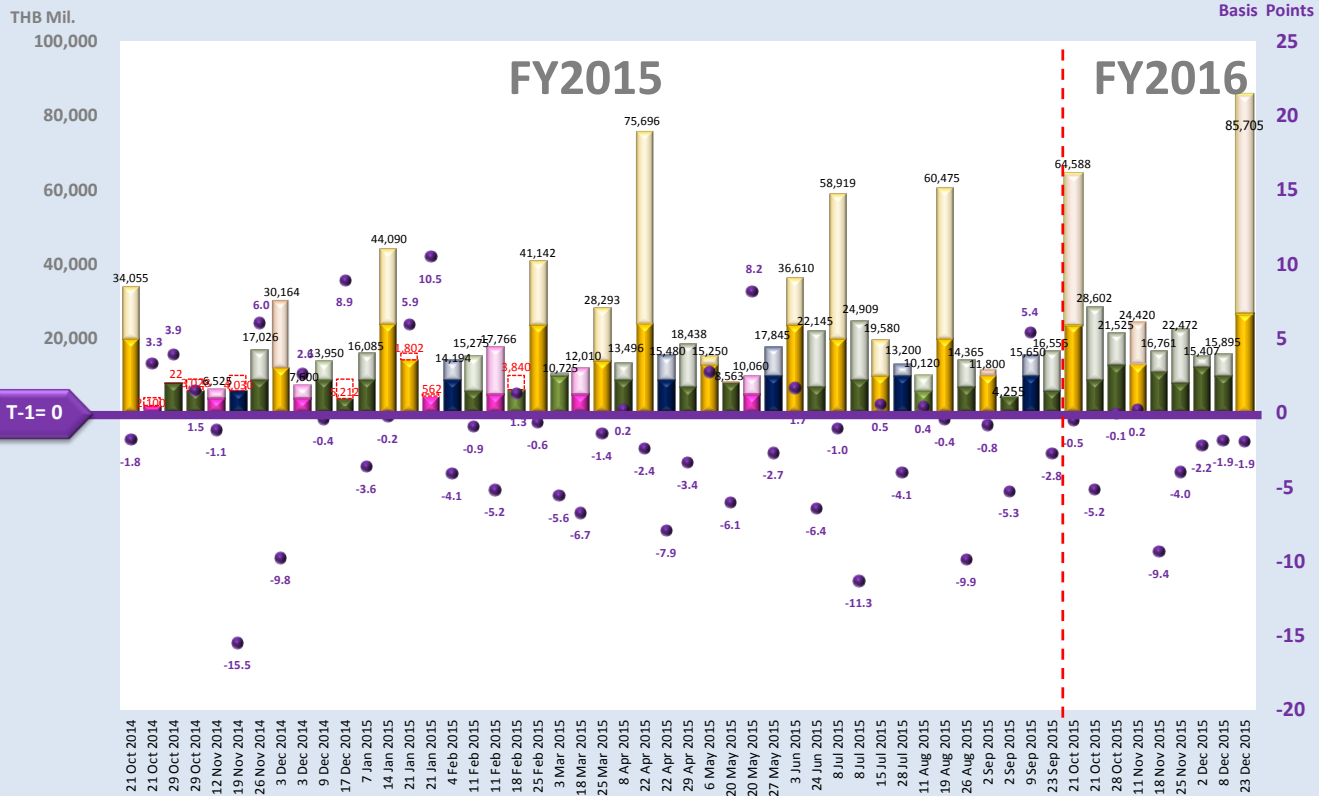




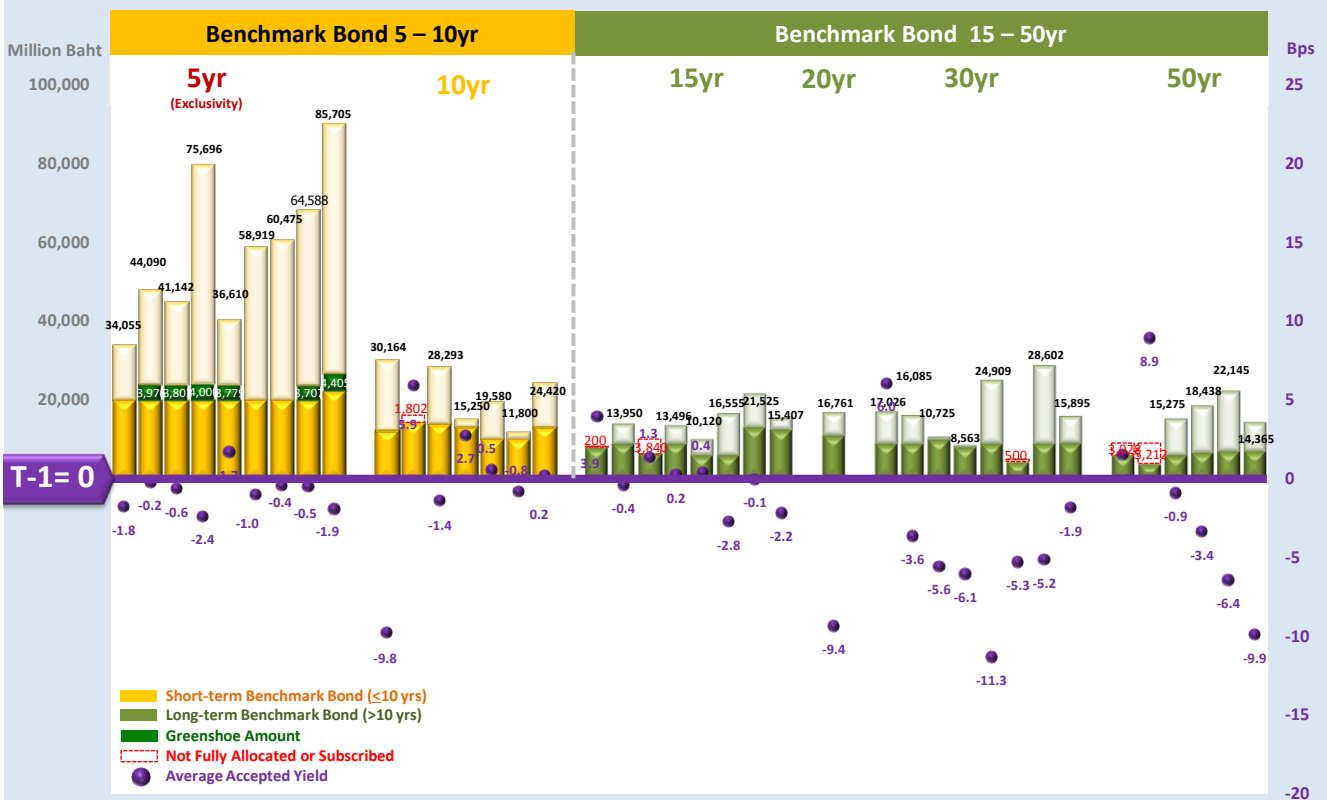
# FY 2015-2016 GOVT Bond Auction Results

Classified by Auction Schedule

- Short-term Benchmark Bond (<10 yrs)
- Long-term Benchmark Bond (>10 yrs)
- Inflation-linked Bond
- Amortized Bond
- Participated Amount (Excess Demand)
- Not Fully Allocated or Subscribed
- Spread [AAY-Yield (T-1)]



## FY2015 – Q1FY2016 GOVT Bond Auction Results Classified by Tenor



# Q2/FY2016 GOVT Bond Auction Schedule (Jan – Mar 16)

Auction Date	LB206A 5-yrs <i>Exclusivity</i>	LB25DA 10-yrs	LB296A 15-yrs	LB366A 20-yrs <i>New</i>	LB446A 30-yrs	LB666A 50-yrs <i>New</i>	Total	
6 January 2016		14,000					14,000	
13 January 2016						10,000	10,000	
20 January 2016				11,000			11,000	
27 January 2016			10,000				10,000	
3 February 2016	MPC							-
10 February 2016	20,000						20,000	
17 February 2016					10,000		10,000	
24 February 2016							-	
2 March 2016		13,000					13,000	
9 March 2016						10,000	10,000	
16 March 2016			10,000				10,000	
23 March 2016	MPC							
30 March 2016				10,000			10,000	
<b>Total</b>	<b>20,000</b>	<b>27,000</b>	<b>20,000</b>	<b>21,000</b>	<b>10,000</b>	<b>20,000</b>	<b>118,000</b>	
Coupon	2.55%	3.85%	4.875%	3.40%	4.675%	4.00%		
Maturity Date	26-Jun-2020	12-Dec-2025	22-Jun-2029	17-Jun-2036	29-Jun-2044	17-Jun-2066		

หมายเหตุ: 1. LB206A = พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 9 (Re-open พันธบัตรรัฐบาลเพื่อการบริหารหนี้ ในถึงประมาณ พ.ศ. 2558 ครั้งที่ 10) วงเงินประมูล 20,000 ล้านบาท และให้สิทธิ MOF Outright PD ในการเสนอซื้อเพิ่มเติม (Green shoe Option) อีกไม่เกินร้อยละ 20 ของวงเงินประมูล ทำให้งวงเงินประมูลอยู่ระหว่าง 20,000-24,000 ล้านบาท

2. LB25DA = พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2552 ในถึงประมาณ พ.ศ. 2554 ครั้งที่ 1)  
(พ.ร.ก. ให้อำนาจกระทรวงการคลังกู้เงินฯ พ.ศ. 2552) ในถึงประมาณ พ.ศ. 2554 ครั้งที่ 1)

3. LB296A = พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 8 / พันธบัตรรัฐบาลเพื่อการบริหารหนี้ ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 6 (Re-open พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2553 ครั้งที่ 2)

4. LB366A = พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 2 (Re-open พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 4) / พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 10

5. LB446A = พันธบัตรรัฐบาลเพื่อการบริหารหนี้ ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 3 (Re-open พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2557 ครั้งที่ 3)

6. LB666A = พันธบัตรรัฐบาลเพื่อการบริหารหนี้ ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 1 / พันธบัตรรัฐบาลเพื่อการบริหารหนี้ ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 5 (Re-open พันธบัตรรัฐบาล ในถึงประมาณ พ.ศ. 2559 ครั้งที่ 6)



# Q2/FY2016 SOE Bond Auction Schedule (Jan – Mar 16)

		Tenor of Term Loan and Bond (year)											Total		
	Thu.	Less than 1	1	2	3	4	5	6	7	8	9	10	11-15	More than 15	
January	Wk 1	7													-
	Wk 2	14	NG3,000							NG590 MG170					3,760
	Wk 3	21		NG2,000											12,000
	Wk 4	28										NG1,000			1,000
February	Wk 5	4						GG23,300							23,300
Chinese New Year (Mon, 8)	Wk 6	11													-
	Wk 7	18					MG3,000								3,000
Makha bhucha (Mon, 22)	Wk 8	25													-
ਮਾਰਚ	Wk 9	3													10,000
	Wk 10	10												9	4,000
	Wk 11	17													-
	Wk 12	24													-
	Wk 13	31													-
<b>Total</b>			<b>3,000</b>	<b>2,000</b>	<b>20,000</b>	<b>-</b>	<b>3,000</b>	<b>23,300</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>1,000</b>	<b>4,000</b>	<b>-</b>	<b>57,060</b>

NOTE : 1-2 EXAT\_Auction (Thu)  
 3-4 BAAC\_Auction (Thu)  
 5 NHA\_Syndication (Tue)  
 6 BAAC\_Syndication (Thu)  
 7 PWA\_Auction (Thu)  
 8 EGAT\_Auction (Thu)  
 9 PEA\_Syndication (Tue)

Sources of Fund	
NG	Not Guaranteed by GOVT
MG	Guaranteed by GOVT
GG	Gauranteed and Serviced by GOVT
(P)	Partially Guaranteed by GOVT

Borrowing Instruments	
	SOE Bond
	Term Loan

# PDMO Bond Calendar FY 2016

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Quarter 1	5	Auction T-bill				2	
	12	Auction T-bill	Auction T-bill			9	
	19	Issue Escrow Saving Bond 1/2016 (FY) 50,000 MB (19 Oct 15 - 29 Feb 16)	Retail Only			16	
	26	Auction T-bill				23	
	2	First day of submission for Baht Bond Application (1/2016)				30	Chulalongkorn Day (FPD)
	9			MPC		6	
	16			Action LB25DA (10Y) : 13,000MB		13	
	23			Action LB366A (20Y) : 11,000MB <b>NEW 20Y</b>		20	
	30	Last day of submission for Baht Bond Application (1/2016)	MOF Outright PD Committee	Action LB666A (50Y) : 9,000MB <b>NEW 50Y</b>		27	
	7	H.M. The King's Birthday observed	Action LB446A (30Y) : 10,000MB			4	
Quarter 2	14	Baht Bond 1/FY2016	Quarterly PD Market Dialogue			11	
	21					18	
	28			MPC		25	
	4			Action LB206A (5Y) : 27,000MB		1	New Year's Eve
	11					8	
	18			Action LB25DA (10Y) : 14,000MB		15	
	25			Action LB666A (50Y) : 10,000MB <b>NEW 50Y</b>		22	
	1			Action LB366A (20Y) : 11,000MB <b>NEW 20Y</b>		29	Quarterly Macroeconomics Report (FPD)
	8			Action LB296A (15Y) : 10,000MB		5	
	15			MPC		12	
Quarter 3	22	Makha Bucha Day	MOF Outright PD Committee - Quarterly PD's Evaluation			19	
	29					26	
	5			Action LB25DA (10Y) : 13,000MB		4	
	12			Action LB206A (5Y) : 20,000MB		11	
	19			Action LB446A (30Y) : 10,000MB		18	
	26					25	
	3					2	
	10			Action LB25DA (10Y) : 13,000MB		9	
	17			Action LB666A (50Y) : 10,000MB <b>NEW 50Y</b>		16	
	24			Action LB296A (15Y) : 10,000MB		23	
Quarter 4	31	Quarterly PD Market Dialogue				29	
	7					5	
	14					12	
	21					19	
	28					26	
	4					3	
	11					10	
	18					17	
	25					24	
	1					31	Last day of submission for Baht Bond Application (2/2016)

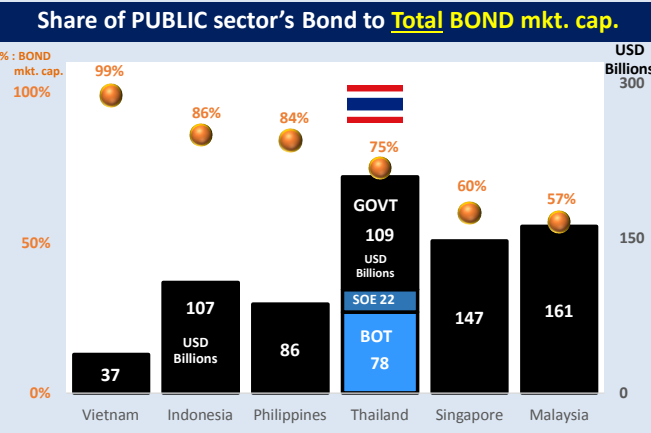
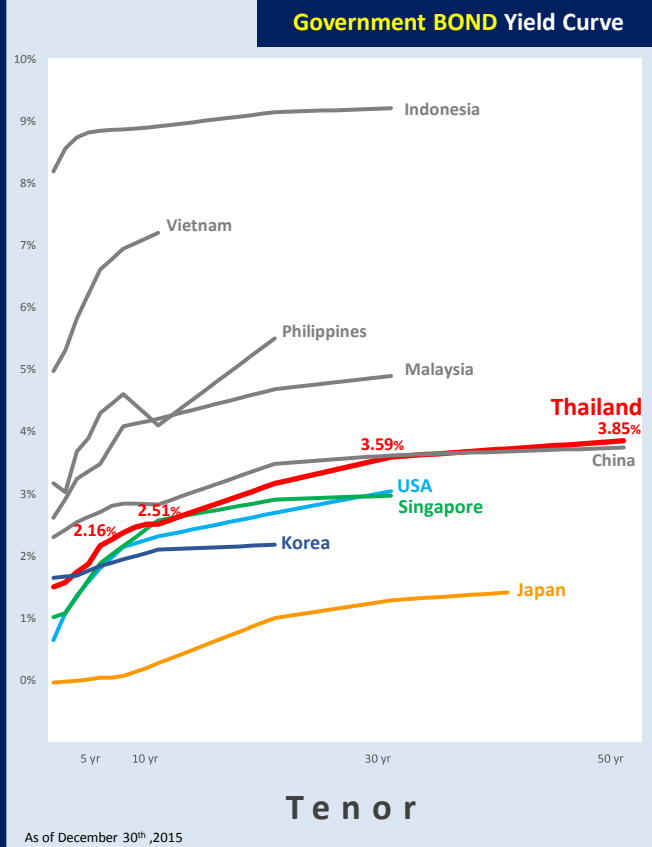
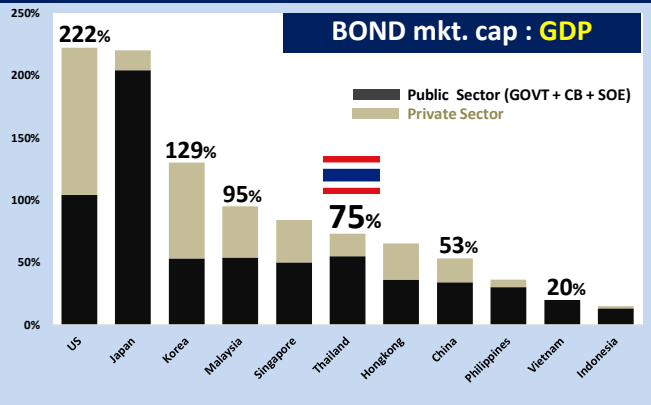
Month	Day	Event / Activity	Day	Event / Activity	Day	Event / Activity	Day	Event / Activity	Day	Event / Activity
Apr 2016	4	Baht Bond 2/FY2016	5		6	Chakri Day	7	First Day of submission for MOF Outright PD's Application	8	
	11		12		13	Songkran Festival Day	14	Songkran Festival Day	15	Songkran Festival Day
	18		19		20		21		22	
	25	Long-term Investor Meeting	26		27		28	Last Day of submission for MOF Outright PD's Application	29	Quarterly Macroeconomics Report (FPO)
	2	Labor Day observed	3		4		5	Coronation Day	6	
	9		10		11		12		13	
	16		17		18		19		20	Visakha Bucha
	23	MOF Outright PD Committee : Quarterly PD's Evaluation	24		25		26		27	
	30		31		1		2		3	
	6		7		8		9		10	
Jun 2016	13		14		15		16		17	
	20		21		22	Quarterly PD Market Dialogue	23		24	
	27		28		29		30		1	Mid-year Bank Holiday
	4		5		6		7		8	
	11		12		13		14		15	
	18		19	Asalha Bucha	20	Buddhist Lent Day	21		22	
	25		26		27		28		29	Quarterly Macroeconomics Report (FPO)
	1		2		3		4		5	Last day submission for Baht Bond Application (3/2016)
	8		9		10		11	Baht Bond 3/FY2016	12	H.M. The Queen's Birthday
	15		16		17		18	MOF Outright PD Committee : Final Review	19	
Aug 2016	22		23		24		25		26	
	29		30		31		1		2	
	5		6		7		8		9	
	12		13		14		15		16	
	19		20		21		22		23	
	26		27		28		29		30	
	1		2		3		4		5	
	8		9		10		11		12	
	15		16		17		18		19	
	22		23		24		25		26	
Sep 2016	29		30		31		1		2	
	5		6		7		8		9	
	12		13		14		15	Annual PDMD-Market Dialogue + MOF Awards	16	
	19		20		21		22		23	
	26		27		28		29		30	
	3		4		5		6		7	
	10		11		12		13		14	
	17		18		19		20		21	
	24		25		26		27		28	
	31		1		2		3		4	

Remark : Royal Ploughing Ceremony Day- waiting for an announcement

# BOND market capitalization

## Peers Comparison

Source : Asian Bond online (ADB)



# Government BOND Yield Matrix

## ASEAN & Peers

As of December 30<sup>th</sup>, 2015

	6 m	1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	7 yr	8 yr	9 yr	10 yr	20 yr	30 yr	40 yr	50 yr
Japan	-0.10	-0.04	-0.03	-0.01	0.01	0.03	0.04	0.06	0.12	0.19	0.27	1.00	1.28	1.41	
Korea	1.59	1.64	1.66	1.68	1.76	1.84	1.89	1.94	1.99	2.04	2.10	2.18			
USA	0.47	0.64	1.08	1.36	1.58	1.80	1.97	2.14	2.20	2.25	2.31	2.69	3.04		
Singapore	-	1.01	1.07	1.34	1.61	1.88	2.02	2.16	2.29	2.43	2.57	2.90	2.97		
Thailand	1.50	1.50	1.57	1.73	1.87	2.16	2.26	2.37	2.46	2.51	2.51	3.16	3.59	3.72	3.85
China	2.25	2.30	2.42	2.54	2.62	2.70	2.80	2.84	2.84	2.83	2.83	3.48	3.62	3.68	3.74
Malaysia	2.76	2.61	2.91	3.24	3.36	3.48	3.78	4.09	4.13	4.17	4.21	4.68	4.90		
Philippines	2.93	3.17	3.02	3.68	3.90	4.30	4.45	4.60	4.44	4.27	4.10	5.50			
Vietnam	-	4.97	5.31	5.82	6.22	6.61	6.78	6.94	7.03	7.11	7.20				
Indonesia	7.61	8.19	8.56	8.74	8.82	8.85	8.86	8.87	8.88	8.90	8.92	9.14	9.21		
Brunei															
Cambodia															
Laos															
Myanmar															

below 1%  
1.01% - 2%

2.01% - 3%  
3.01% - 4%

over 4%  
no data

## New Allotment Framework for NCB

NCB Bidding Amount Individually			
	NCB Issue Amount / Auction	Bidding Amount	
		Minimum	Maximum
Before January 2013	20%	4 THB mil.	40 THB mil.
From January 2013 to present	20%	4 THB mil.	100 THB mil.
<b><u>New Bidding Amount</u></b> <i>Begin January 2016</i>	<b>20%</b>	<b>4 THB mil.</b>	<b>Not exceed 20% of auction amount</b>

NCB Allotment
<p>Step 1 : Allocate bids for the first <b>100 million baht</b></p> <p>Step 2 : Allocate amount <b>over 100 million baht</b> by <b>Pro-rata</b></p>



**Begin : January 2016**

# Basic & Essentials

- Bond Market Development Strategy
  - Public Debt Outstanding
    - Total Domestic Public Debt
      - Bond Market Capitalization
        - Liquidity & Secondary Market Trading
          - Supporting Inclusive Growth Through ASEAN Bond Market Integration
            - Non-Resident Holding in Domestic Bond

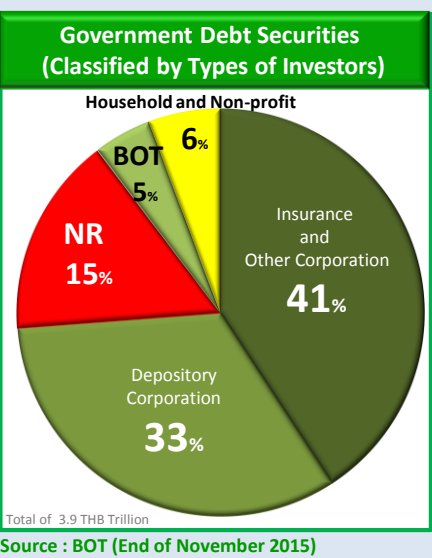
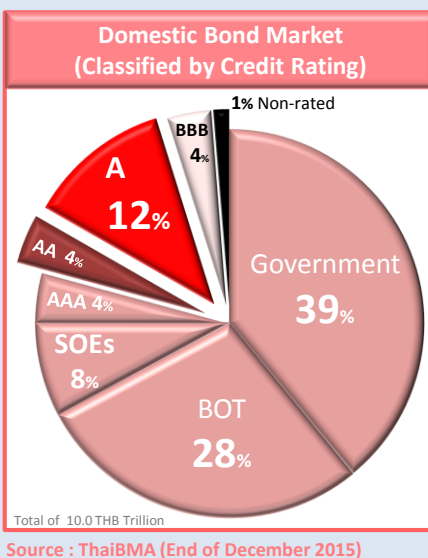
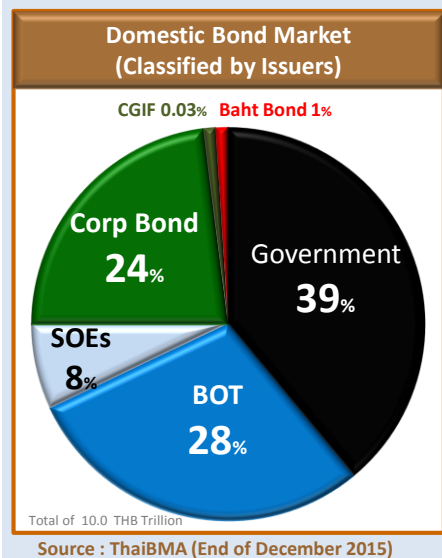
# Domestic Bond Market in Transition

- ✓ Funding Infrastructure Investment
- ✓ Connecting ASEAN

	Market Deepening Oriented (2010 - 2012)	Funding Infrastructure Investment Connecting ASEAN (2013 - 2016) <span style="background-color: yellow;">2016 Highlights</span>
Sustainable Source of Fund	Water Decree (350,000 THB Mil.) Thai Khem Khang (350,000 THB Mil.)	Full Funding Capacity : 1,200,000 THB Mil. 1,900,000 THB Mil. <span style="background-color: yellow;">Long-Term Infrastructure Inv't</span>
Regional Connectivity/ AEC	Baht Bond (Foreign Issuers Bond)	Baht Bond (CLMV) Credit Guarantee Investment Facility (CGIF) Foreign Currency Bond
Debt Folio Enhancement	ATM Lengthened Cost Lowered FIDF Decree Passed = 70,000 THB Mil. Fiscal Space	Well-Distributed Investor Base Well-Balanced Fixed-Floating Ratio Well-Distributed Maturity Profile / Bond Switching
Market Infrastructure	Appointed 14 MOF-Outright PD Activated Public Debt Management Fund	Bond Switching (1 <sup>st</sup> execution: 28 Nov 14) Strengthening PD system (Exclusivity, League Table, Greenshoes Option) STRIPS Bond
Innovation / Product Development	Inaugural 10-yr Inflation-Linked Bond (10-yr) Long-term Fixed Promissory Notes (25-35-45-yr) Electronic Retail Savings Bond (3-5-yr)	<span style="background-color: yellow;">Scrippless Retail Savings Bond → Saving Habit</span> Super-Size Inaugural 25-yr Back-End Amortized Bond Re-open ILB 7-yr or Launch ILB-30yr <span style="background-color: yellow;">STRIPS Transaction</span>
Market Consultation	Annual PDMO Market Dialogue Quarterly PDMO one-on-one PD Dialogue	Annual PDMO Market Dialogue Quarterly PDMO one-on-group MOF Outright PD Dialogue Monthly PDMO one-on-one MOF Outright PD Dialogue
Building Yield Curve / Enhancing Liquidity	 8 Tenors of Benchmark Bonds	 Liquidity-Oriented

# Equilibrium of Domestic Bond Market

- Issuers** • 75 percent of Thailand's debt securities are issued by Government, Bank of Thailand and State-Owned Enterprises
- Credit Rating** • 99 percent of Thailand's debt securities are classified as Investment Grade
- Investors** • Thailand's government debt securities are held by a wide group of investor types



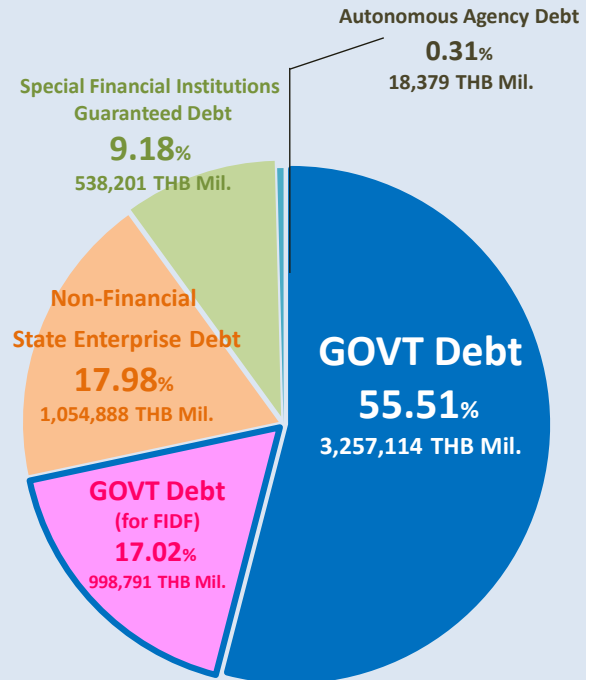


# Public Debt Outstanding (as of Oct 2015) = 5.87 THB Trillion (43.80% of GDP)

## Components of Public Debt

Units : THB Mil.

1. Government Debt (excluded FIDF)	3,257,114
2. Government Debt (for FIDF)	998,791
3. Non-Financial State Enterprise Debt	1,054,888
4. Special Financial Institutions Guaranteed Debt	538,201
5. Autonomous Agency Debt	18,379
<b>Public Debt Outstanding</b>	<b>5,867,373</b>

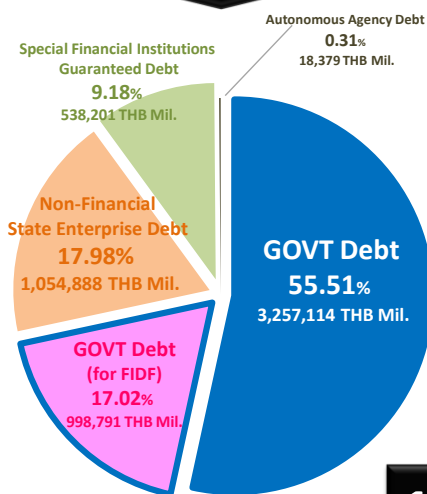


Source : Information Technology Centre, PDMO

## Portion of Public Debt Serviced by The Government

### Public Debt Components "All"

5.87 THB Trillion

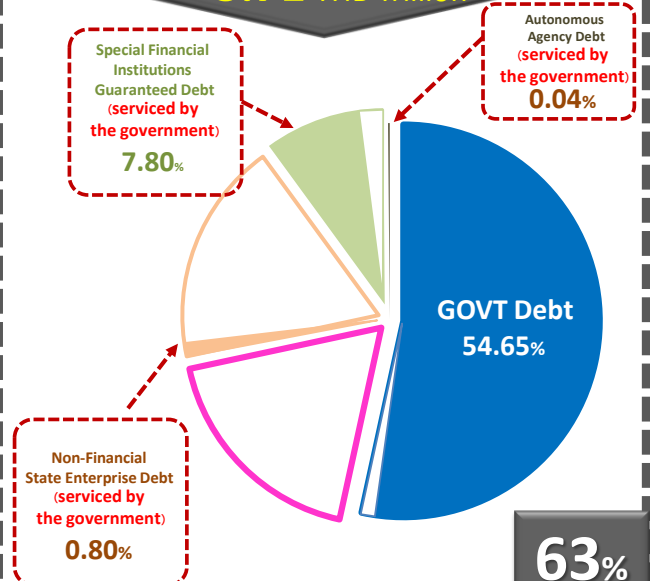


100%

As of Oct 2015

### Public Debt Components "serviced by the government"

3.71 THB Trillion



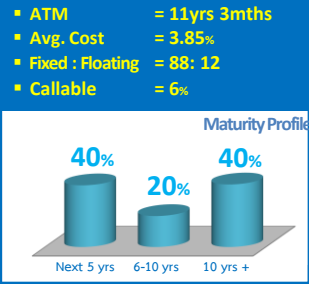
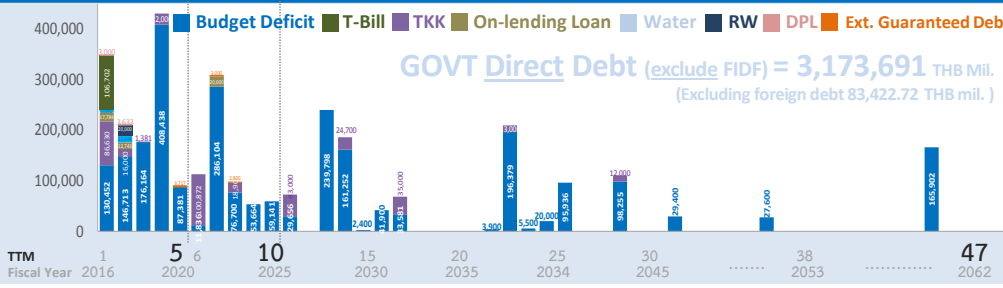
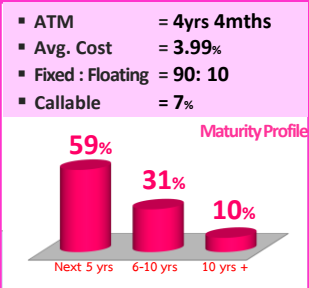
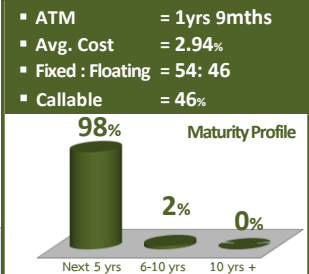
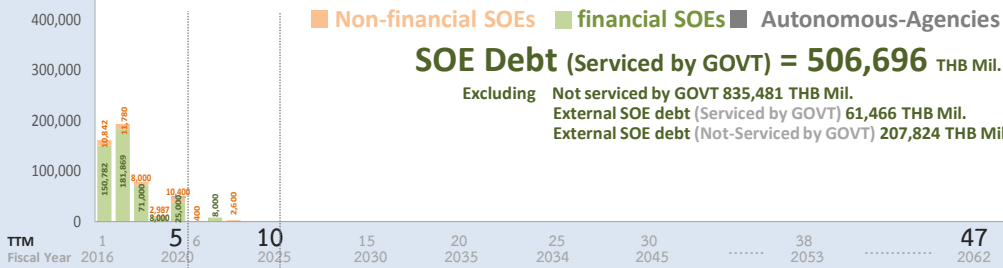
63%

# Total Domestic Public Debt = 5.43\* THB Trillion

\* Excluding Foreign Debt

Assumptions : 6 months BIBOR = 1.76%, 6 months Fixed Deposit Rate = 1.23%, Inflation = -0.77%

As of Oct 2015



## Well-Developed Bond Market Improved GOV'T Direct Debt Profile Dramatically

- (1) ATM Lengthened
- (2) Cost Lowered
- (3) Well-Balanced Fixed-Floating Ratio
- (4) Well-Distributed Maturity Profile

Note : Government Direct Debt = 3,173,691 THB Mil. (exclude FIDF and external debt)

As of Dec 2007

As of Oct 2015

Average-Time-to-Maturity  
**LENGTHENED** by 6yrs

ATM  
5yrs 3mths

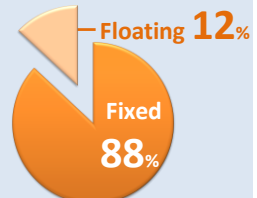
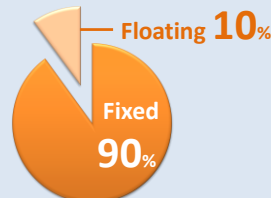
ATM  
11yrs 3mths

Avg. Cost **LOWERED** by 65 bps.  
(While ATM **Lengthened** by 6yrs)

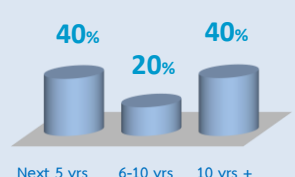
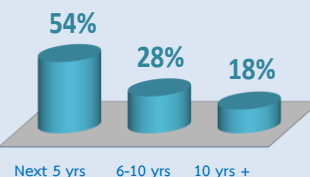
Avg. cost  
4.5%

Avg. cost  
3.85%

Well-Balanced Fixed/Floating Ratio  
(Target : Fixed/Float ratio = 85 : 15)



Well-Distributed Maturity Profile  
(Maturing Debt in the next 5 yrs is less than 50% of Total Debt)



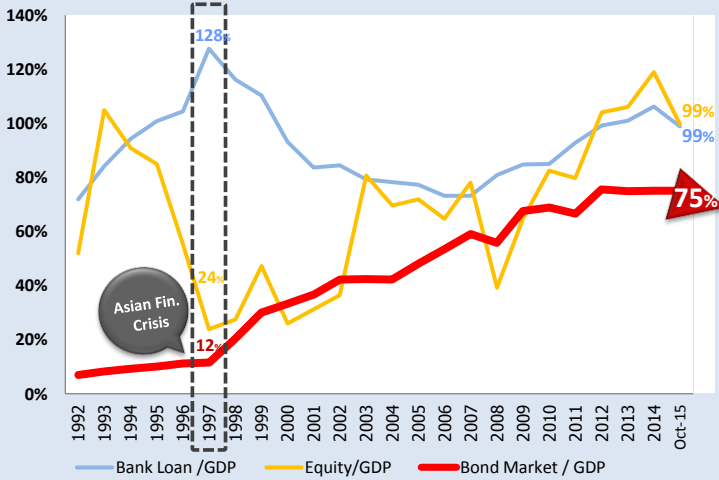
**Bond Market Cap. = 10 THB Trillion**

(\$277 Bil.)\*

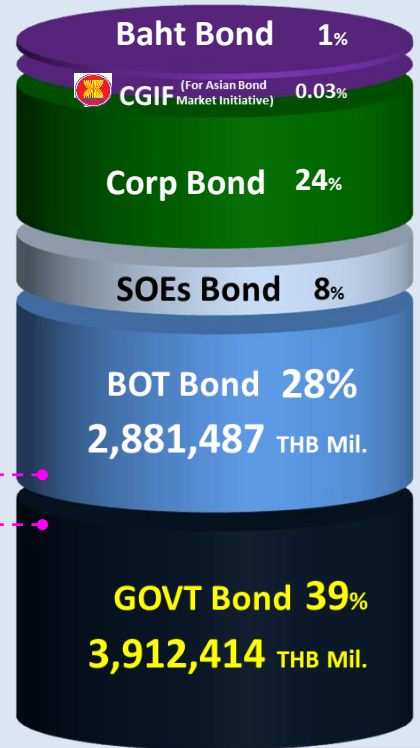
**GOVT Bond = 3.9 THB Trillion**

(\$108 Bil.)\*

% Share of GDP



**Domestic Bond Market Classified by Issuer**

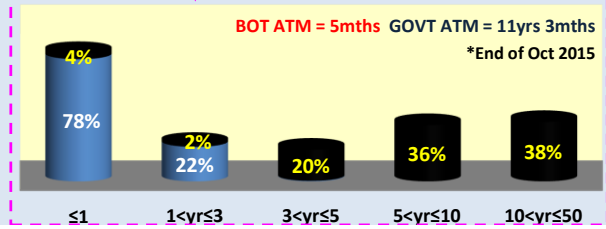


**Maturity Profile**

BOT vs GOVT Bond

BOT ATM = 5mths GOVT ATM = 11yrs 3mths

\*End of Oct 2015



\*Source: BOT Exchange rate as end of Nov 2015

end of Dec 2015

**Full Capacity\* of All Government Funding Instruments**

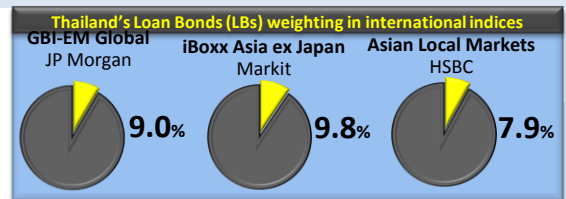
\* Under favorable market liquidity + using All funding instruments

**1,200,000 THB Mil. per Year**

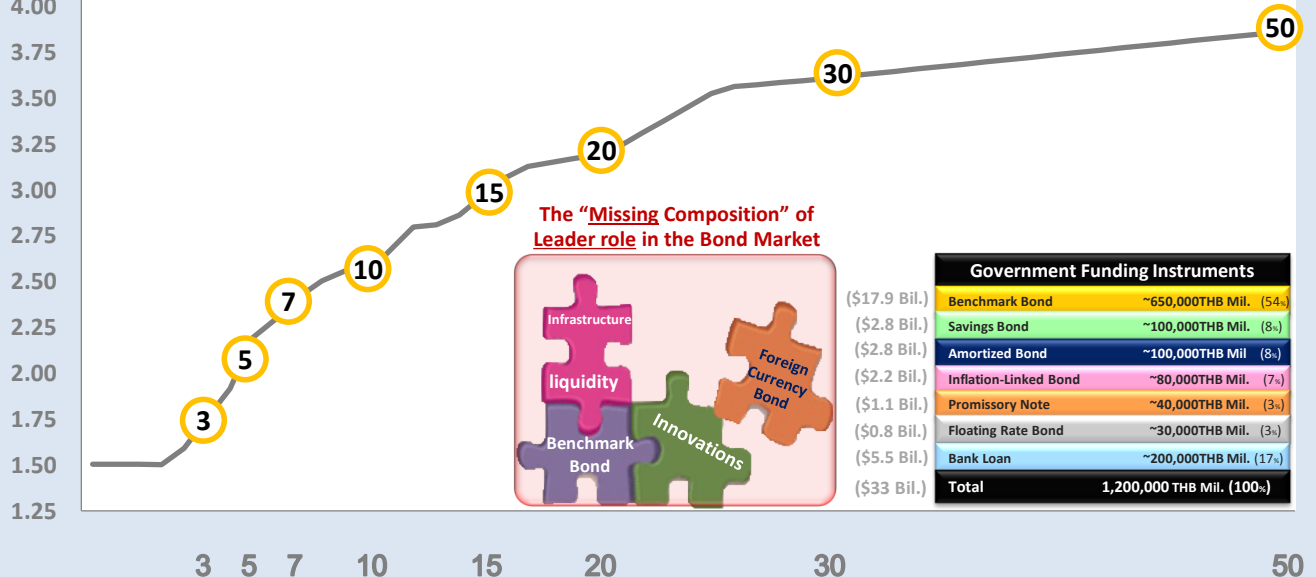
(\$33 Bil.)\*\*

Term	Capacity (THB Mil.)	Value (\$ Bil.)
LB 3 yrs	150,000	(\$4.2 Bil.)**
LB 5 yrs	120,000	(\$3.3 Bil.)
LB 7 yrs	80,000	(\$2.2 Bil.)
LB 10 yrs	80,000	(\$2.2 Bil.)
LB 15 yrs	60,000	(\$1.6 Bil.)
LB 20 yrs	60,000	(\$1.6 Bil.)
LB 30 yrs	50,000	(\$1.4 Bil.)
LB 50 yrs	50,000	(\$1.4 Bil.)

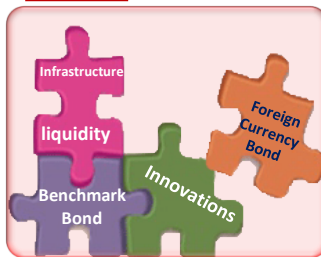
Benchmark Bond



Last Update : Dec 2015



**The "Missing Composition" of Leader role in the Bond Market**



Government Funding Instruments (\$17.9 Bil.)	
Benchmark Bond	~650,000 THB Mil. (54%)
Savings Bond	~100,000 THB Mil. (8%)
Amortized Bond	~100,000 THB Mil. (8%)
Inflation-Linked Bond	~80,000 THB Mil. (7%)
Promissory Note	~40,000 THB Mil. (3%)
Floating Rate Bond	~30,000 THB Mil. (3%)
Bank Loan	~200,000 THB Mil. (17%)
<b>Total</b>	<b>1,200,000 THB Mil. (100%)</b>

\*\*Source: BOT Exchange rate (As of Dec 30<sup>th</sup>, 2015)

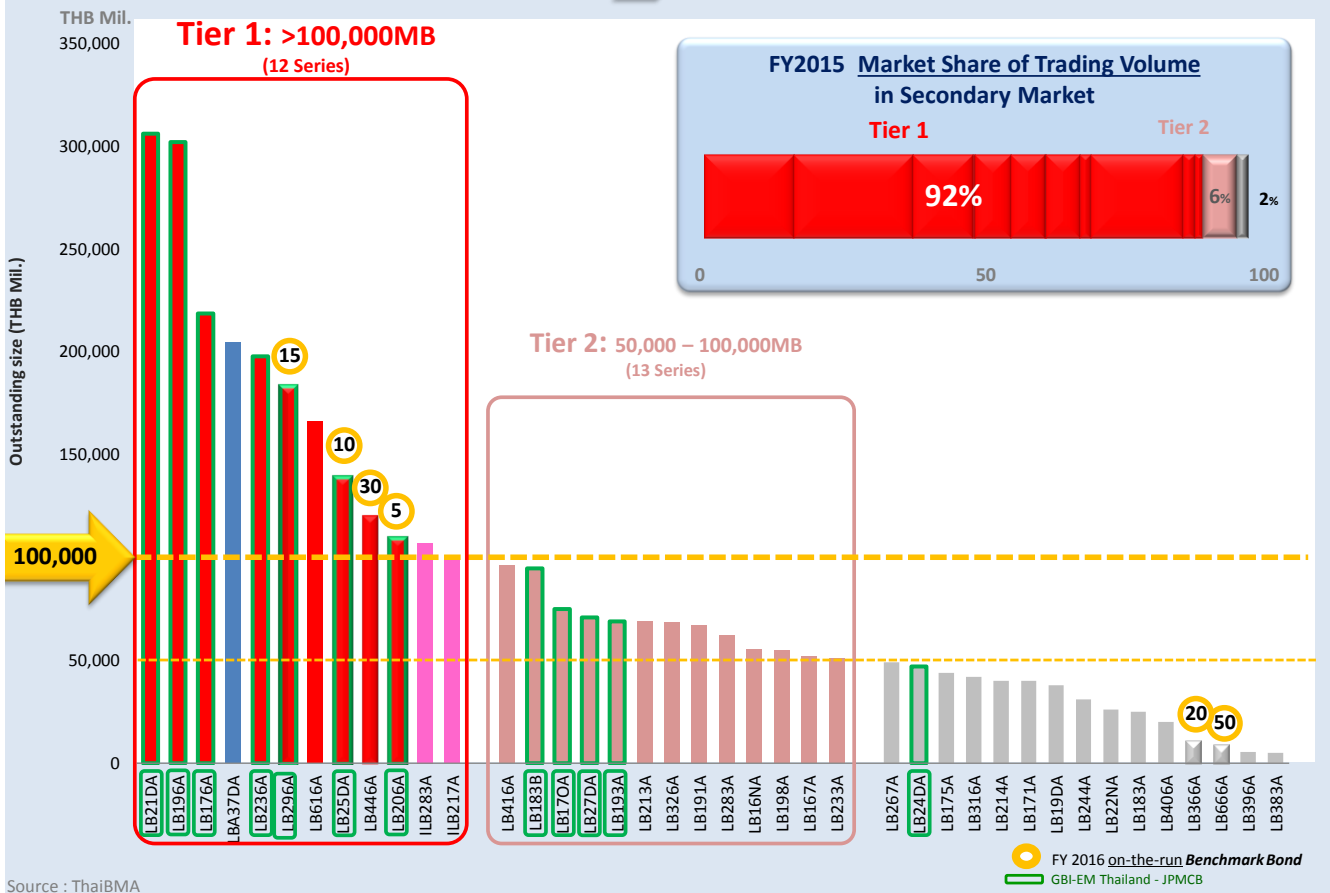
Source: ThaiBMA Government Bond Yield Curve (end of Dec 2015)

# Total GOVT Bond = 40 Series

(End of December 2015)

Tier 1 > 100,000 THB Mil. in Size (92% of Trading Volume)

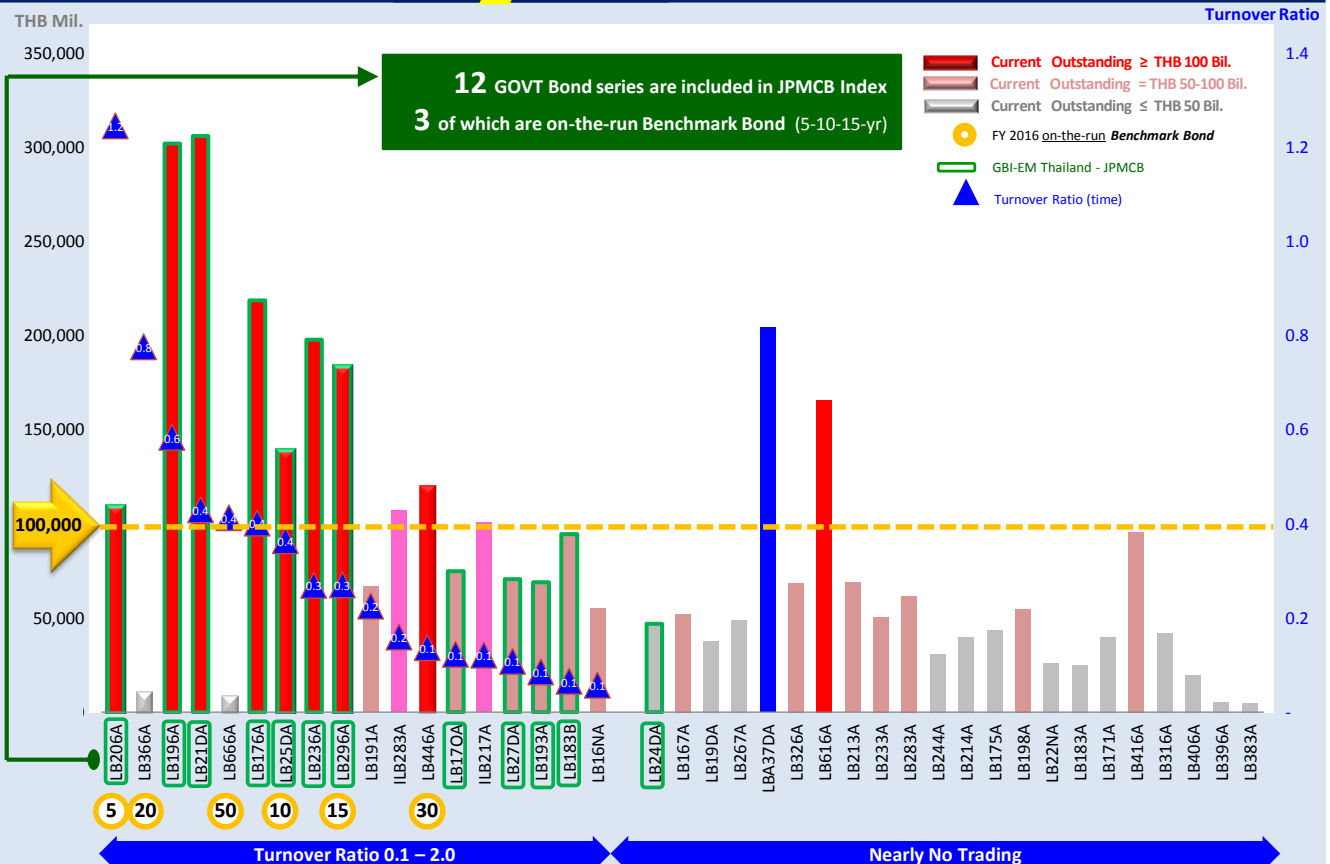
Tier 2 > 50,000 THB Mil. in Size (6% of Trading Volume)



## FY2015 Secondary Trading Volume Classified by Turnover Ratio

As of December 2015

Top 10 Turnover Ratio includes 3 series of on-the-run Benchmark Bond (5-10-15-yr)



# Linking CGIF & BAHT BOND to the Development of Bond Market

## CGIF

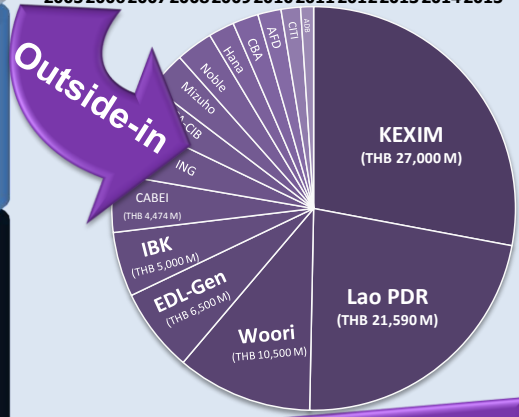
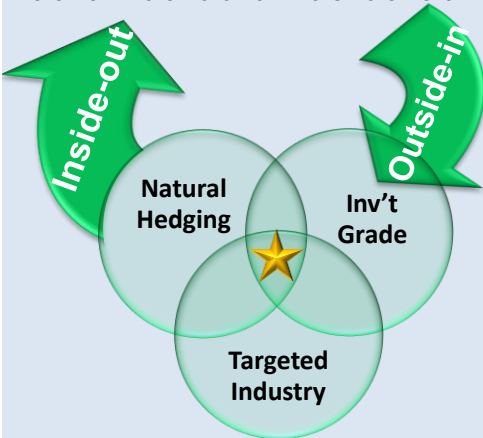
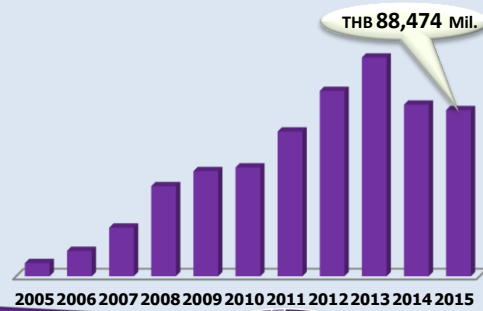
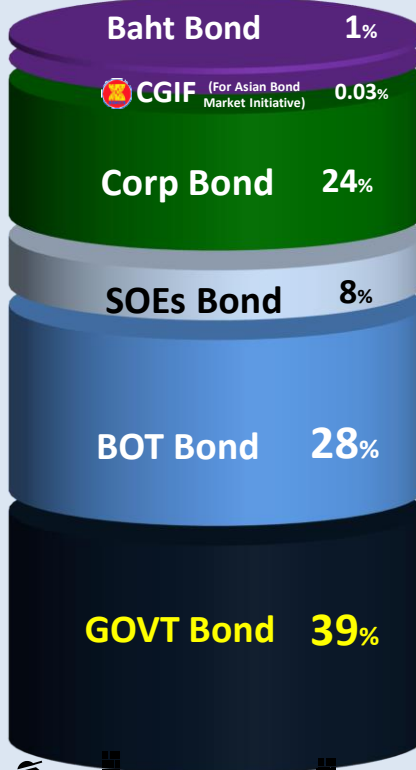
Total Outstanding 10,086,082 THB Mil.  
(As of December 25<sup>th</sup>, 2015)

## BAHT BOND

**Inaugural**  
(Noble, Hong Kong)

THB 2,850 Mil.

2013 2014 2015 2016 2017 2018 2019 2020



### Why now?

→ Entering ASEAN Economic Community (AEC)

### What next?

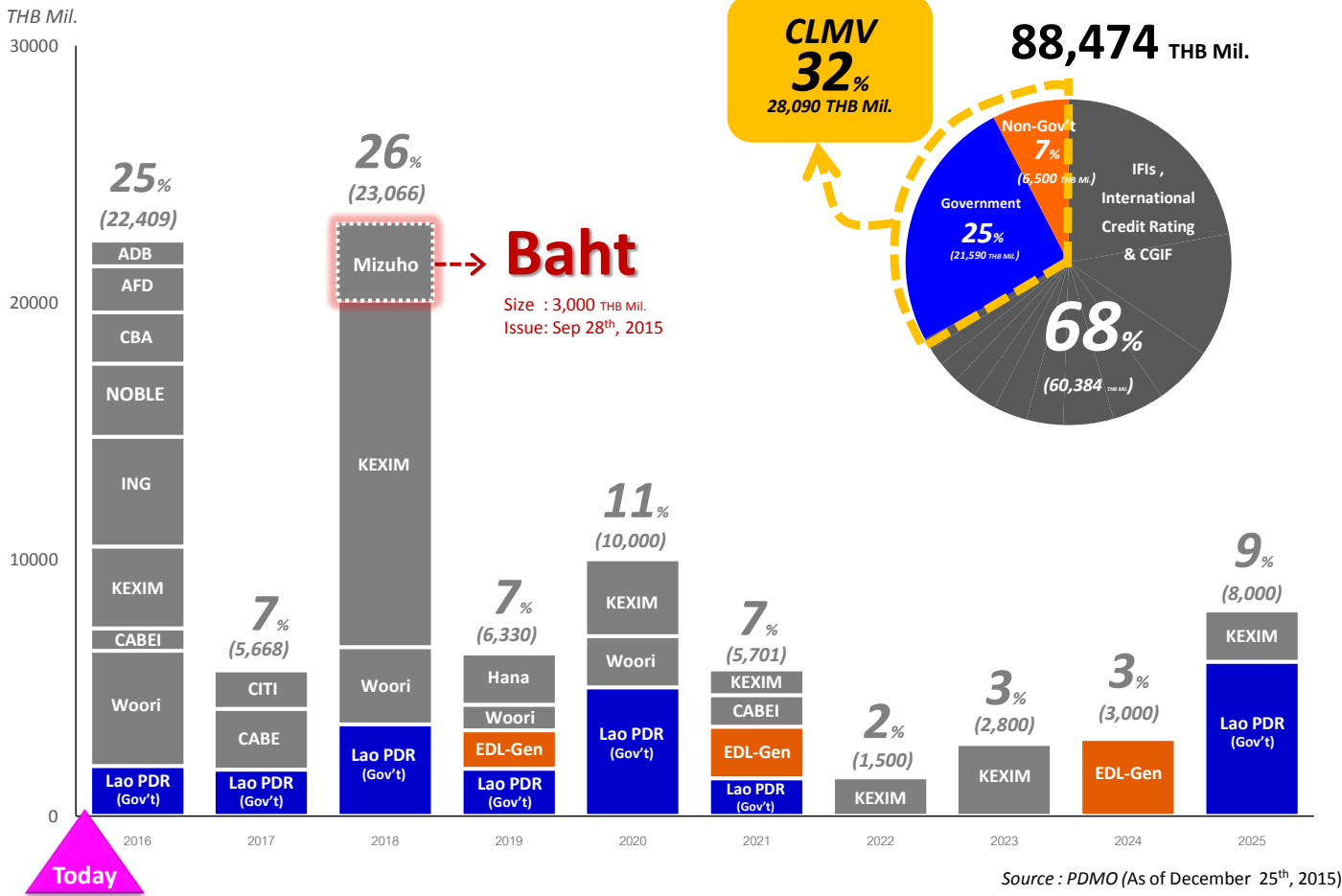
- Broadening Issuer Base : AEC
- Becoming bond market leader of the region



2016 - 2025

# Baht Bond's Maturity Profile (Classified by Issuers)

Public Debt Management Office, Ministry of Finance

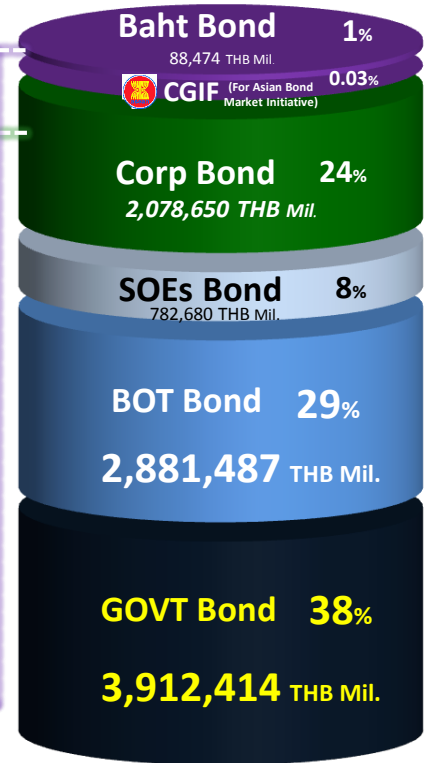
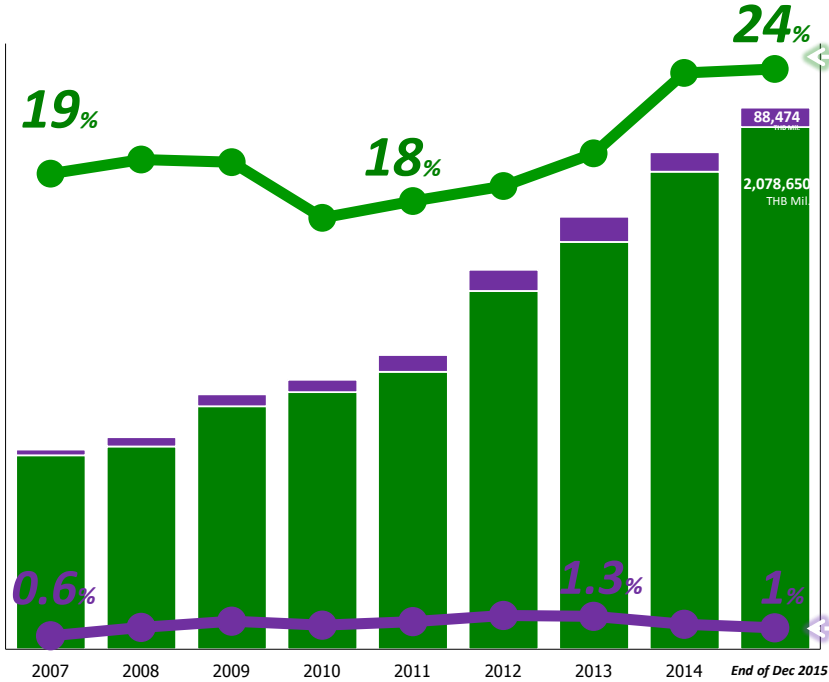


2007 - 2015

Growth of Corporate Bond Outstanding has Accelerated

- Baht Bond Outstanding
- Corporate Bond Outstanding
- % Share of Corporate Bond Outstanding to Bond Market Capitalization
- % Share of Baht Bond Outstanding to Bond Market Capitalization

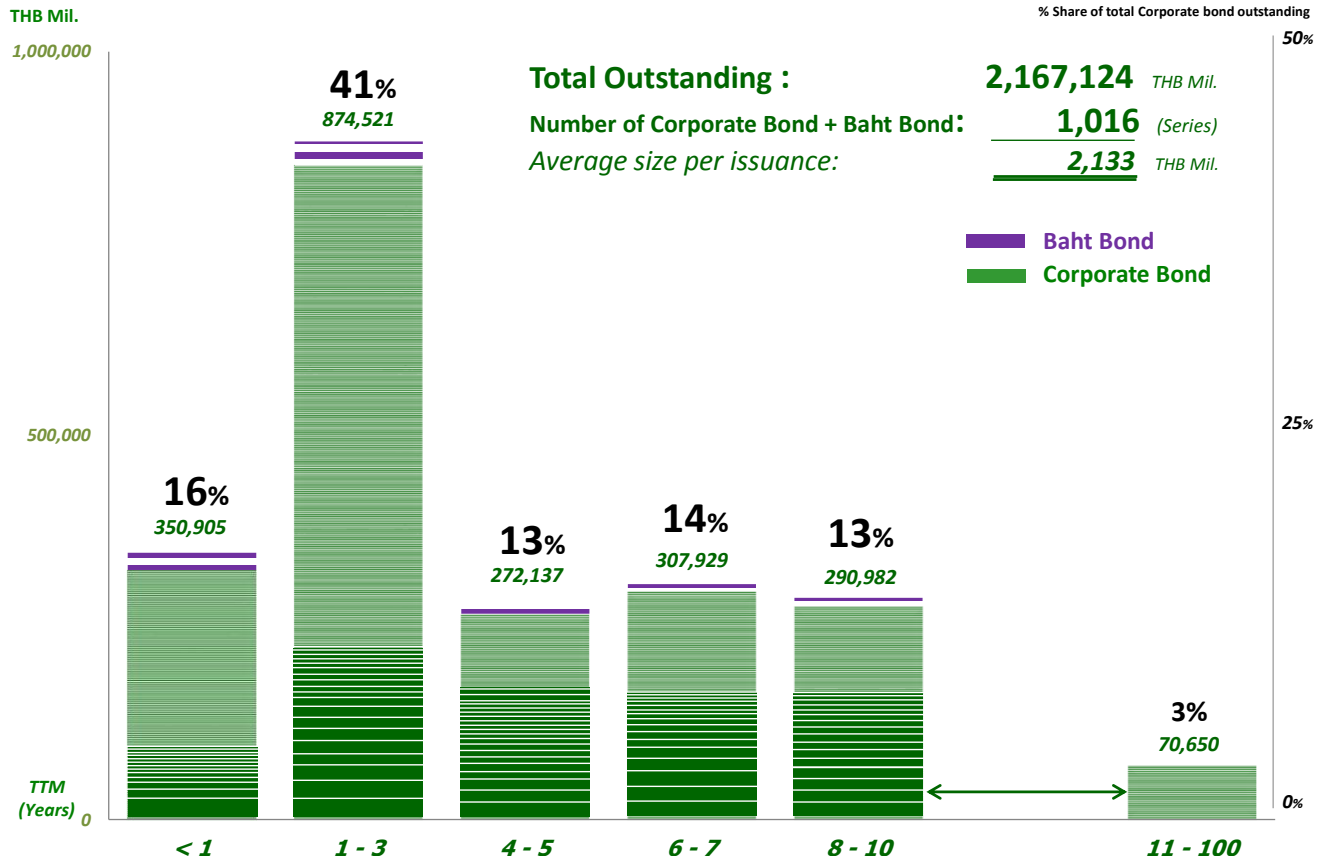
Total Outstanding 10,086,082 THB Mil.  
(As of December 25<sup>th</sup>, 2015)



Source : ThaiBMA (As of December 25<sup>th</sup>, 2015)

Corporate Bond & Baht Bond Outstanding (Classified by TTMs)

Average size per issuance: 2,133 THB Mil.



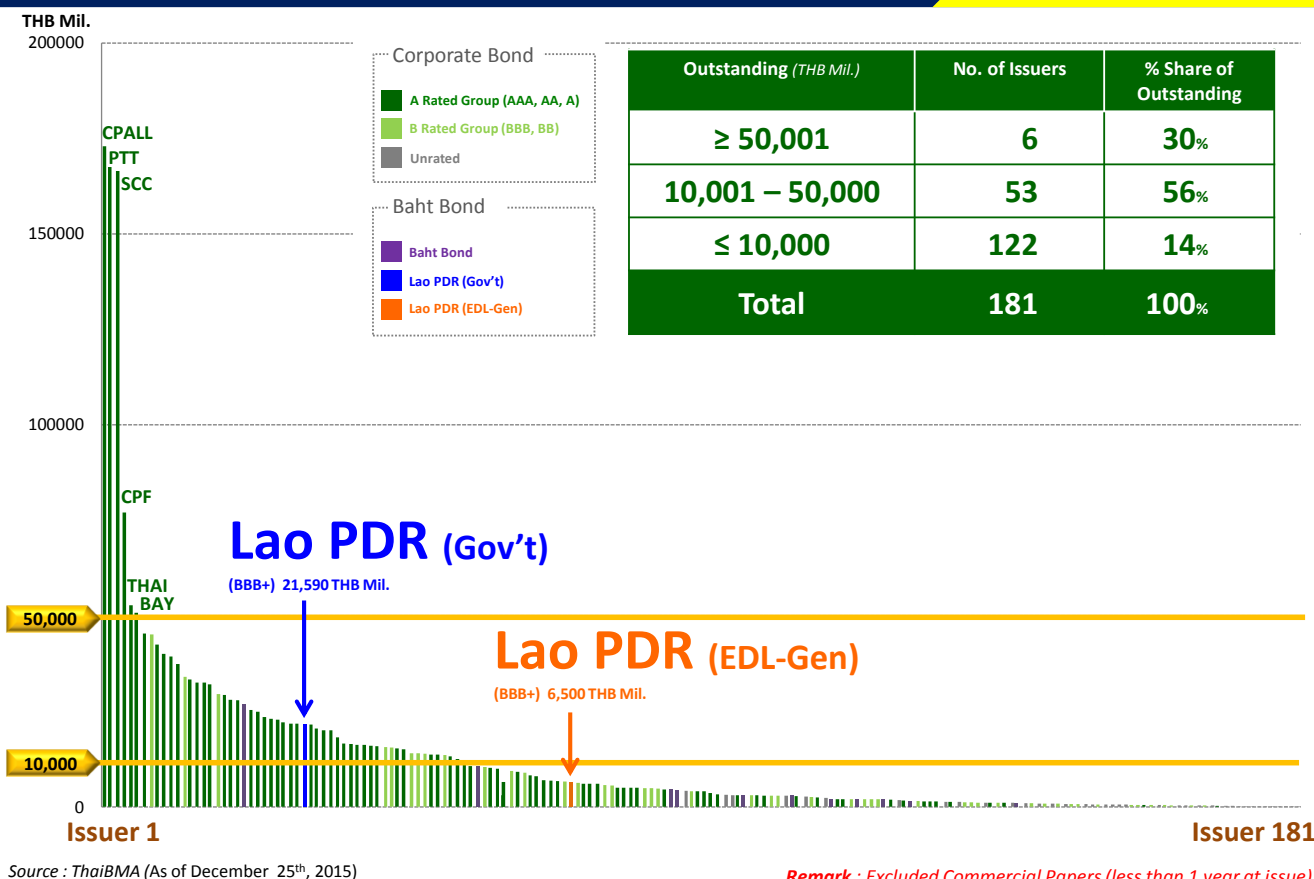
Source : ThaiBMA (As of December 25<sup>th</sup>, 2015)

Remark : Excluded Commercial Papers (less than 1 year at issue)



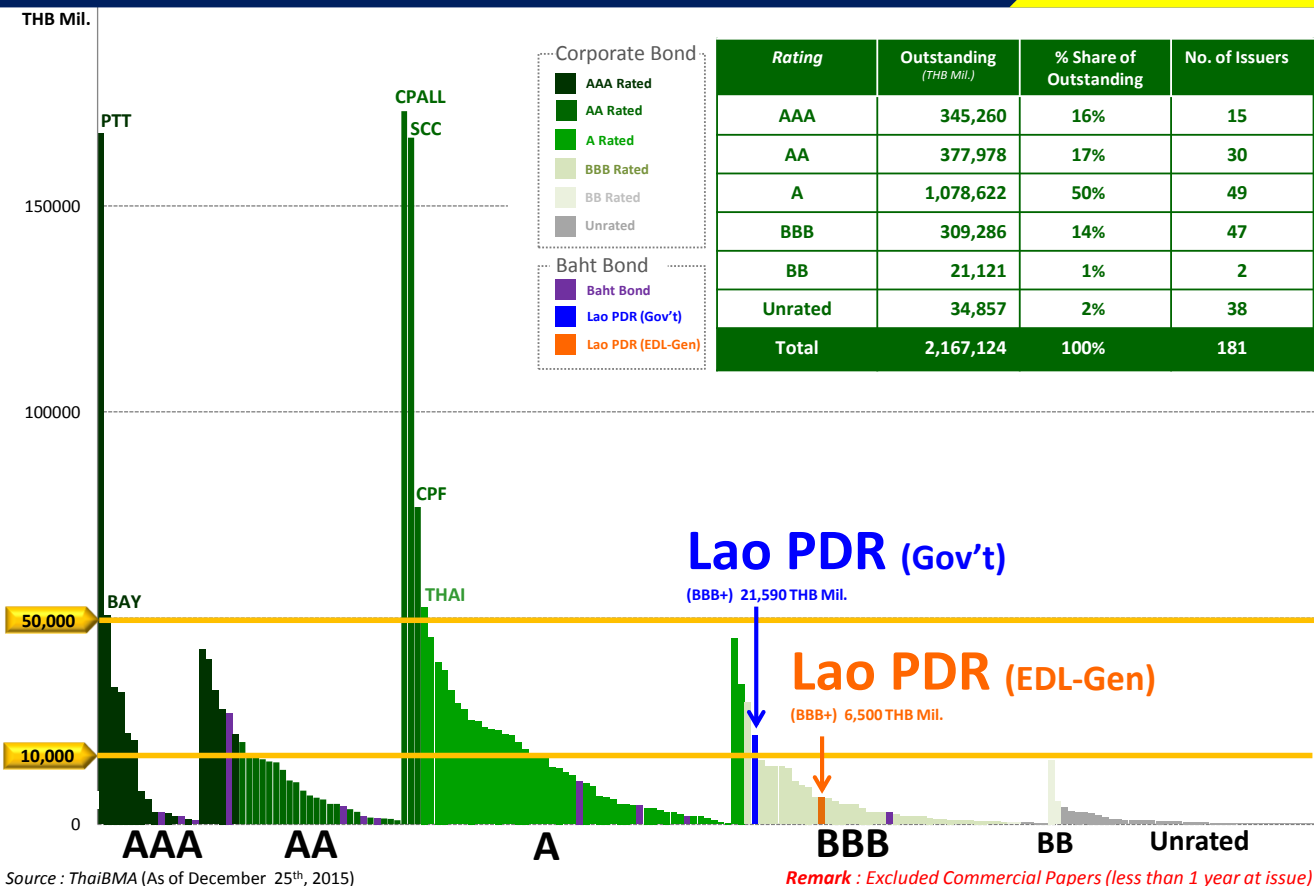
# Corporate Bond & Baht Bond Outstanding (Classified by Size)

**30%**  
are 6 Major Corporates



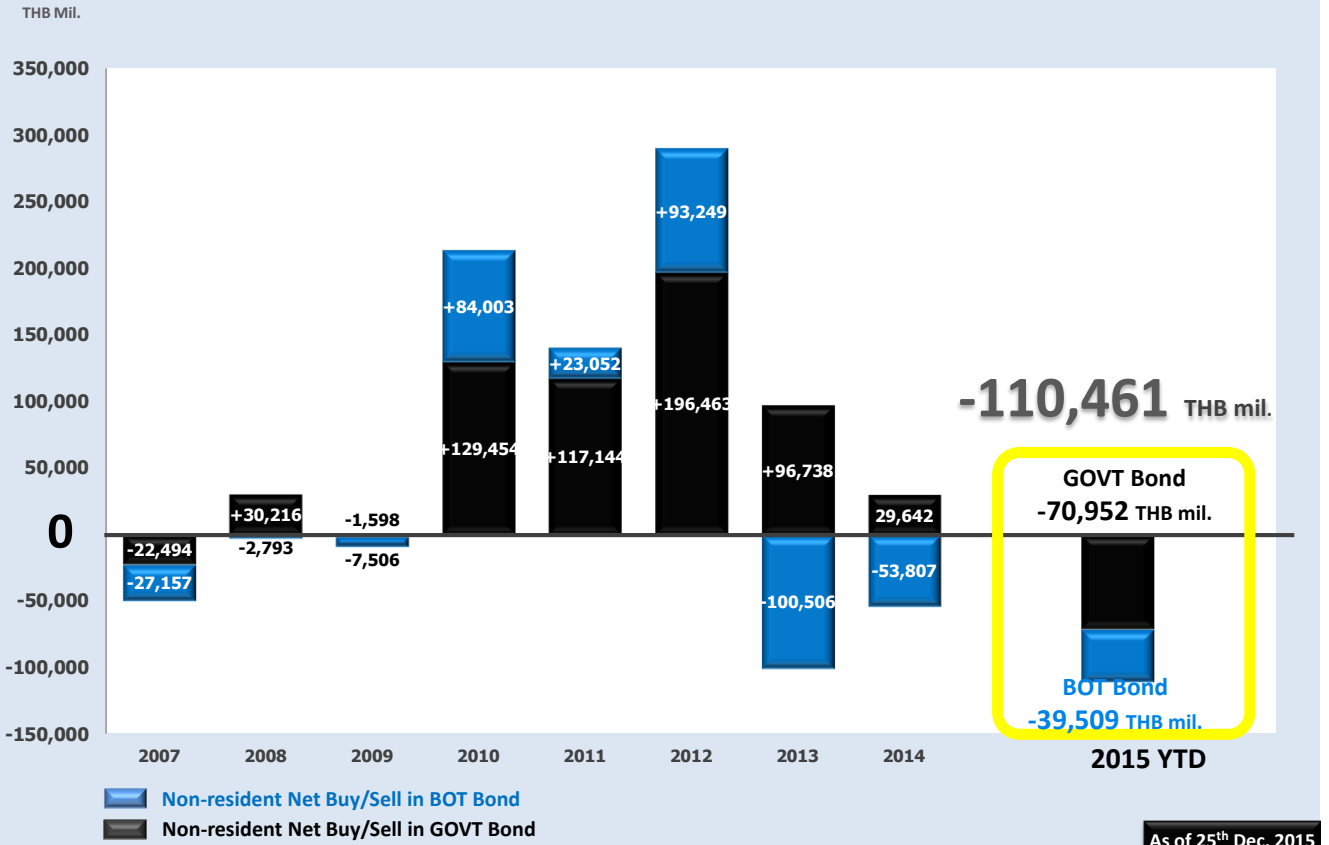
# Corporate Bond & Baht Bond Outstanding (Classified by Credit Rating)

**50%** is A Rated



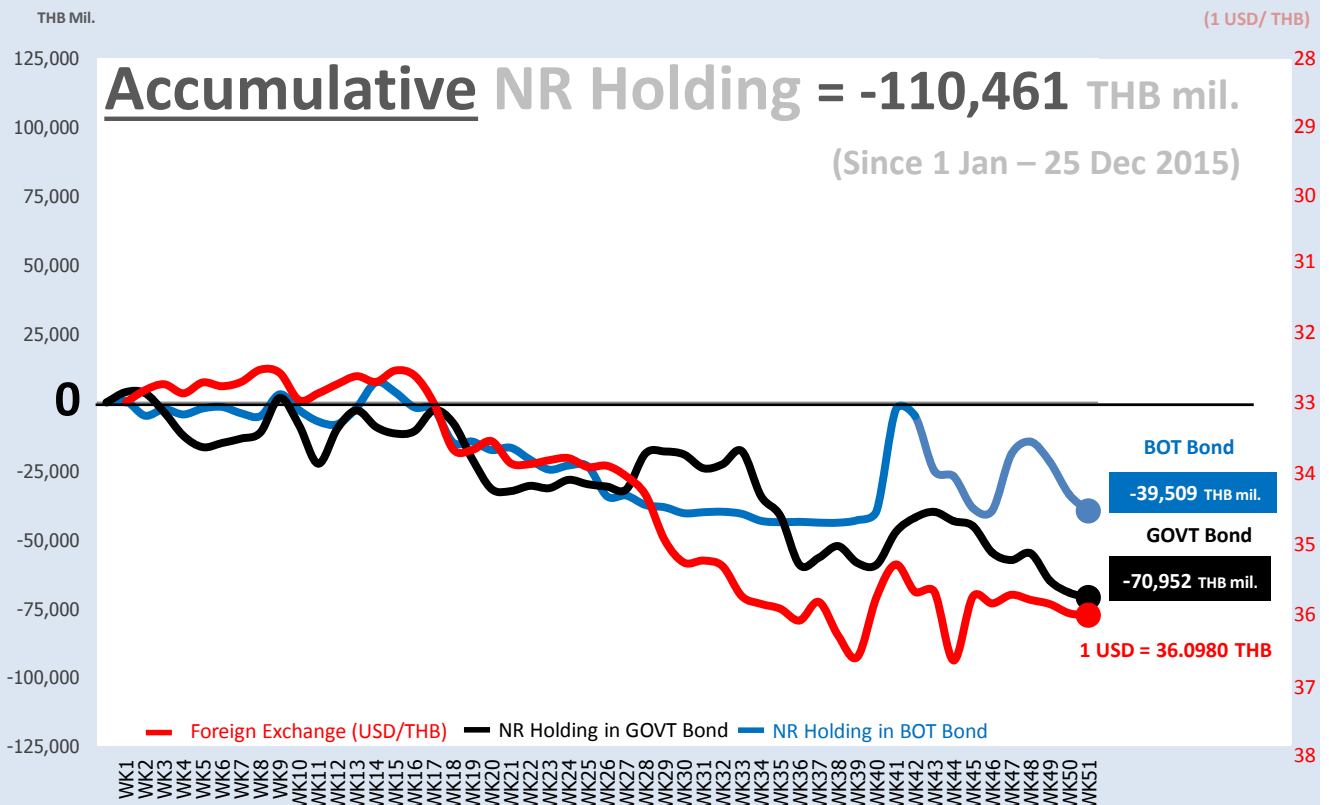
# Annual Capital Flow classified by GOVT & BOT Bond (2007 – 2015)

**-110,461 THB mil.**  
(2015YTD)



## 2015 Weekly (The past 51 weeks)

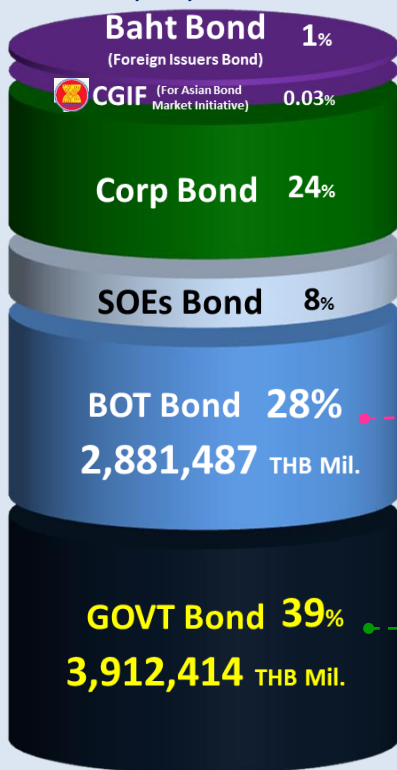
## Net Change in Non-resident Holding (YTD) BOT Bond vs GOVT Bond



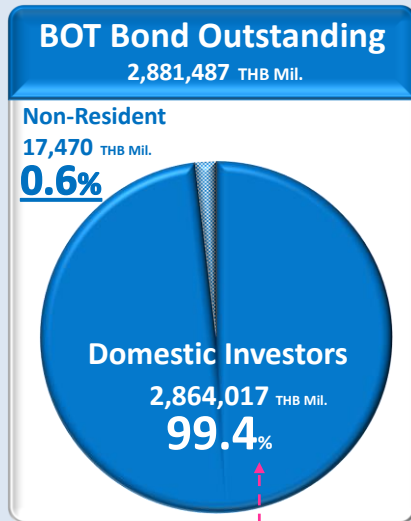
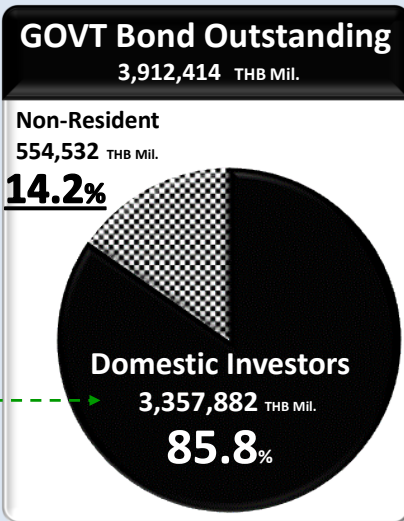
# 2015 Outstanding

Non-Resident Holding in THB Bond = **572,804 THB Mil.**

Thai Bond Market Cap.  
=10,085,998 THB Mil.



Issuer	Non-Resident Holding (THB Million)	% Share of Thai Bond Market Cap.
GOVT Bond	554,532	5.52%
BOT Bond	17,470	0.17%
SOE Bond	0	0.00%
Corp Bond	802	0.01%
<b>TOTAL</b>	<b>572,804</b>	<b>5.70%</b>



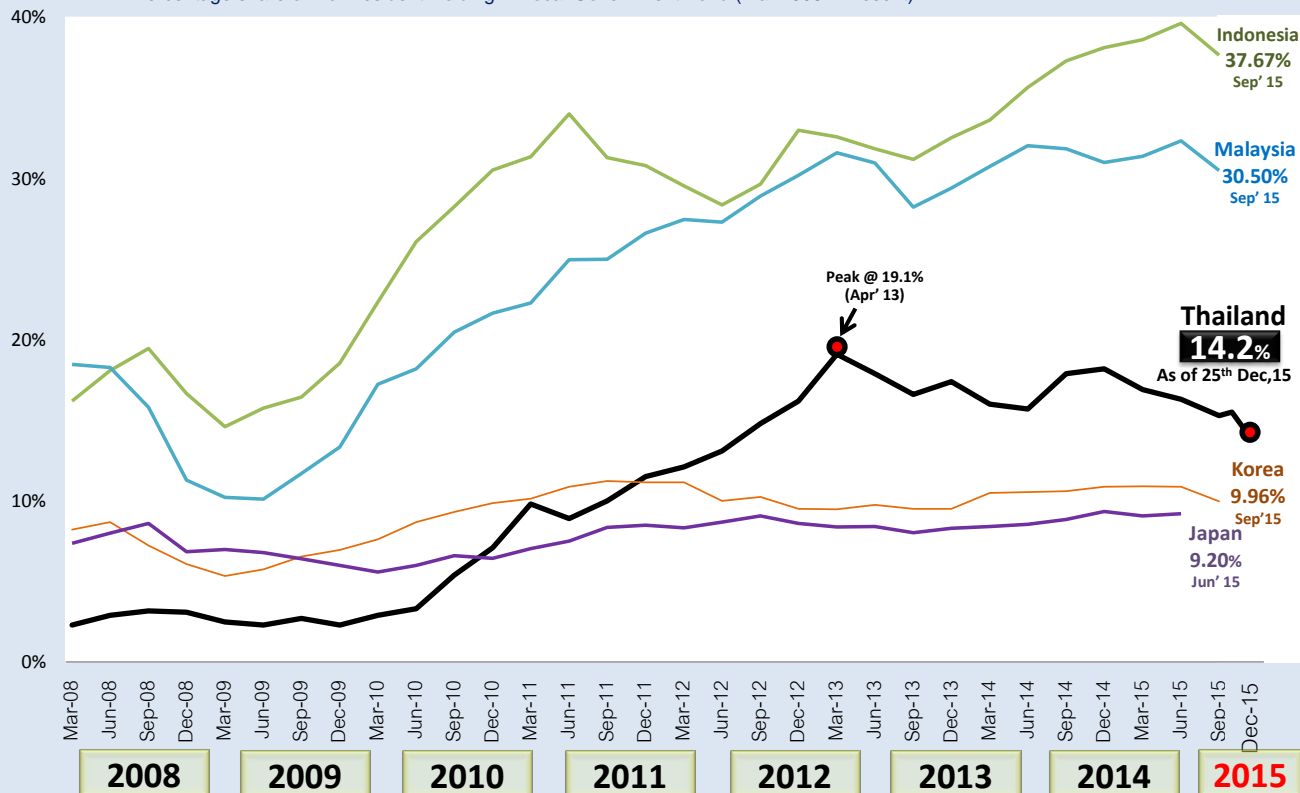
As of 25<sup>th</sup> Dec, 2015

## Peers Comparison

Non-Resident Holding in Thai GOVT Bond is 554,532 THB mil.

or **14.2%** of Total GOVT Bond Outstanding

Percentage share of Non-resident Holding in Local Government Bond (Mar 2008 - Present)



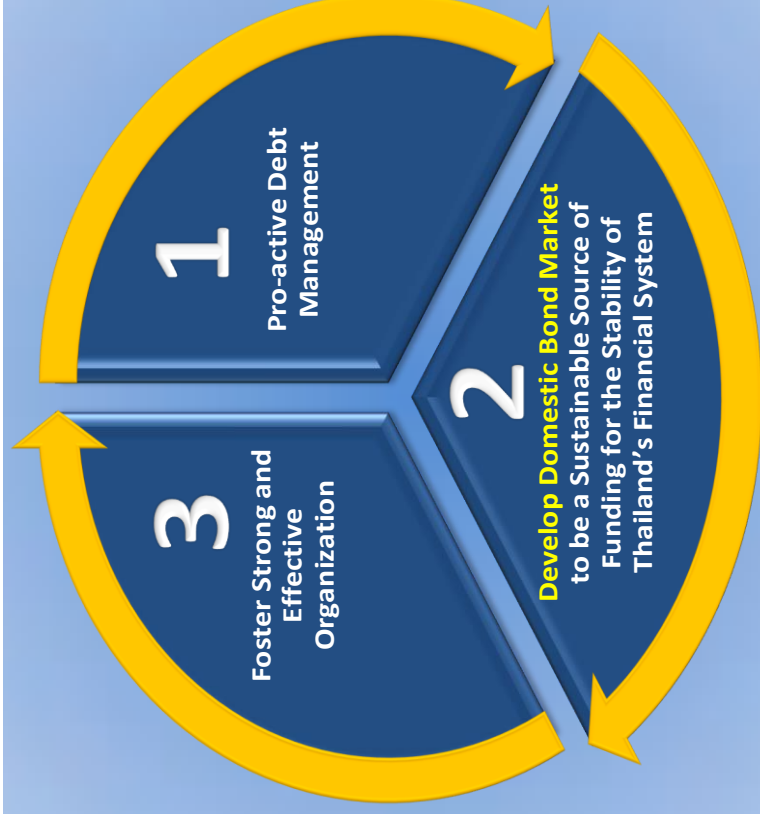
Source : AsianBondsOnline, ThaiBMA

As of 25<sup>th</sup> Dec, 2015

**Vision**  
*Professional in public debt management for sustainable development*

**Values**  
*Transparency, Discipline, Trustworthiness, Driving Social and Economic Development*

**Mission**  
*Formulate sound public debt management policies and strategies as well as conduct, monitor and evaluate public debt management operations under the relevant legal framework and guidelines*



### 3 PDMO's Strategies

# Director-General

## Suwit Rojanavanich

**Bond Market Advisor**  
**Wisut Chanmanee**  
*Bond Market Advisor*

**Deputy Director-General**  
**Theeraj Athanavanich**

**Deputy Director-General**  
**Sirasa Kanpittaya**

**Public Debt Advisor**  
**Ace Viboolcharern**  
*Public Debt Advisor*

**Internal Audit Group**

**Public Sector Development Group**

**Legal Advisory Group**

**Information Technology Center**

**Risk Management Group**

**Debt Management Bureau 1**  
**Ekaraj Khuankhunsathid**  
*Executive Director*

**Policy and Planning Bureau**  
**Sunee Eksomtramate**  
*Executive Director*

**Bond Market Development Bureau**  
**Upama Jaihong**  
*Executive Director*

**Public Infrastructure Project Financing Bureau**  
**Jindarat Viriyataveekul**  
*Executive Director*

**Public Infrastructure Project Management and Evaluation Bureau**  
**Jindarat Viriyataveekul**  
*Acting Executive Director*

**Payment Administration Bureau**  
**Teeralak Songsnit**  
*Executive Director*

**Office of the Secretary**  
**Siribha Satayanon**  
*Secretary*



**Senior Expert on Bond Market Development**  
**Nattakarn Boonsri, Acting Senior Expert**

**Front Office**  
**Middle Office**  
**Back Office**  
**Support Office**

**Government Bond Market Development Division**  
**Nattakarn Boonsri, Director**

**Economist**  
**Nantachod Samarnwong**

**Economist**  
**Sittan Sathianphattanakool**

**Fund Management and Bond Market Infrastructure Development Division**  
**Paroche Hutachareon, Director**

**Economist**  
**Phimonphan Tanwattana**

**Economist**  
**Wanthanee Phongam**

**International Bond Market Policy Division**  
**Oraporn Thomya, Acting Director**

**Senior Economist**  
**Sriarpa Ruangruchira**

**Economist**  
**Phacharaporn Khotnarin**

**Financial Product Development Division**  
**Nakarinn Prompat, Acting Director**

**Economist**  
**Chanikarn Chaiyasena**



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Director of Fund Management and Bond Market Infrastructure Development Division

**Oraporn Thomya**                      [oraporn@pdmo.go.th](mailto:oraporn@pdmo.go.th)  
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Acting Director of Financial Product Development Division