

# **Thai Bond Market Outlook and Trend**

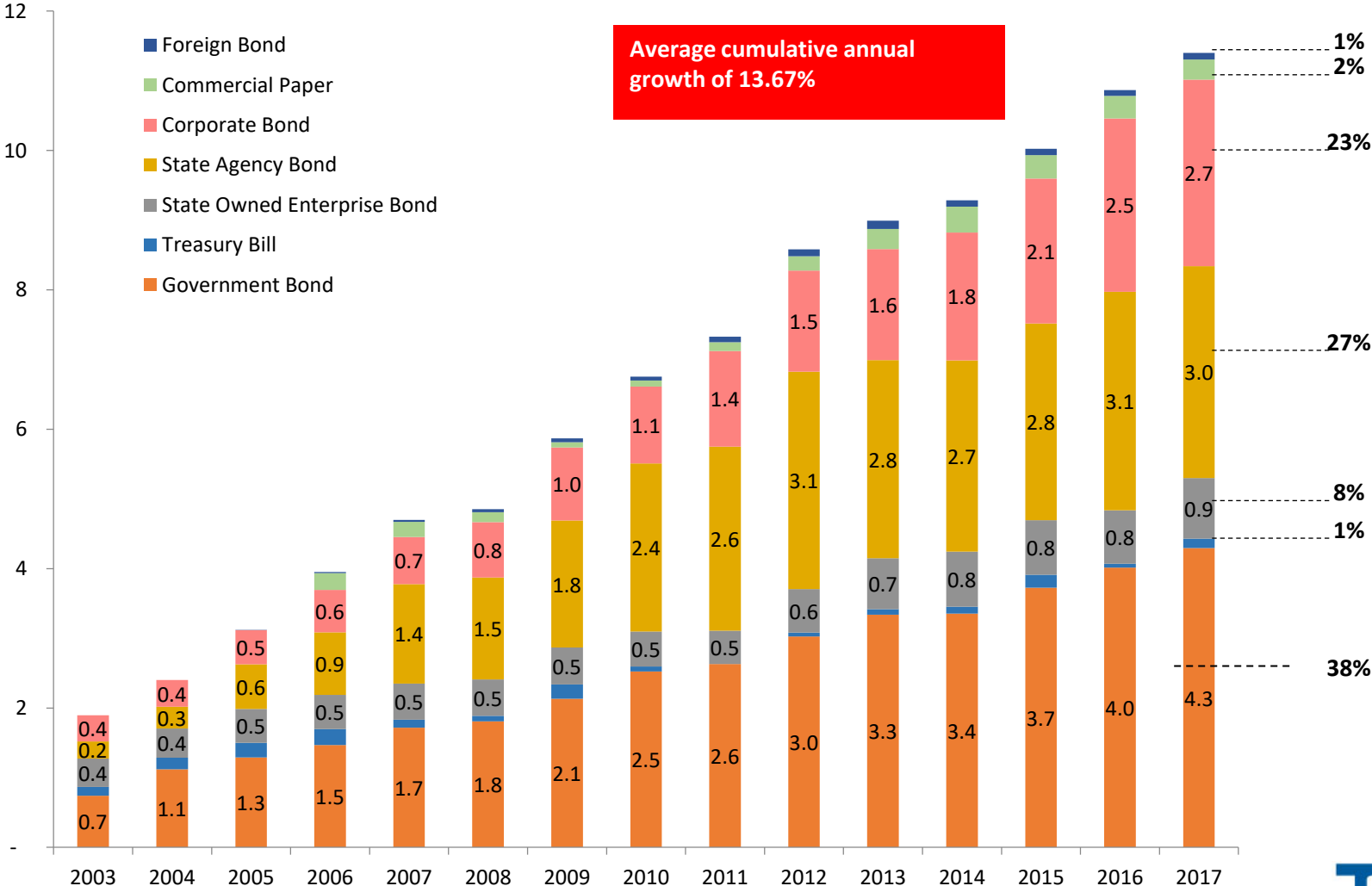
**ACRAA Conference**

**23 April 2018**

**Sakda Pongcharoenyong  
President  
TRIS Rating Co., Ltd.**

# Debt Issues in Thailand

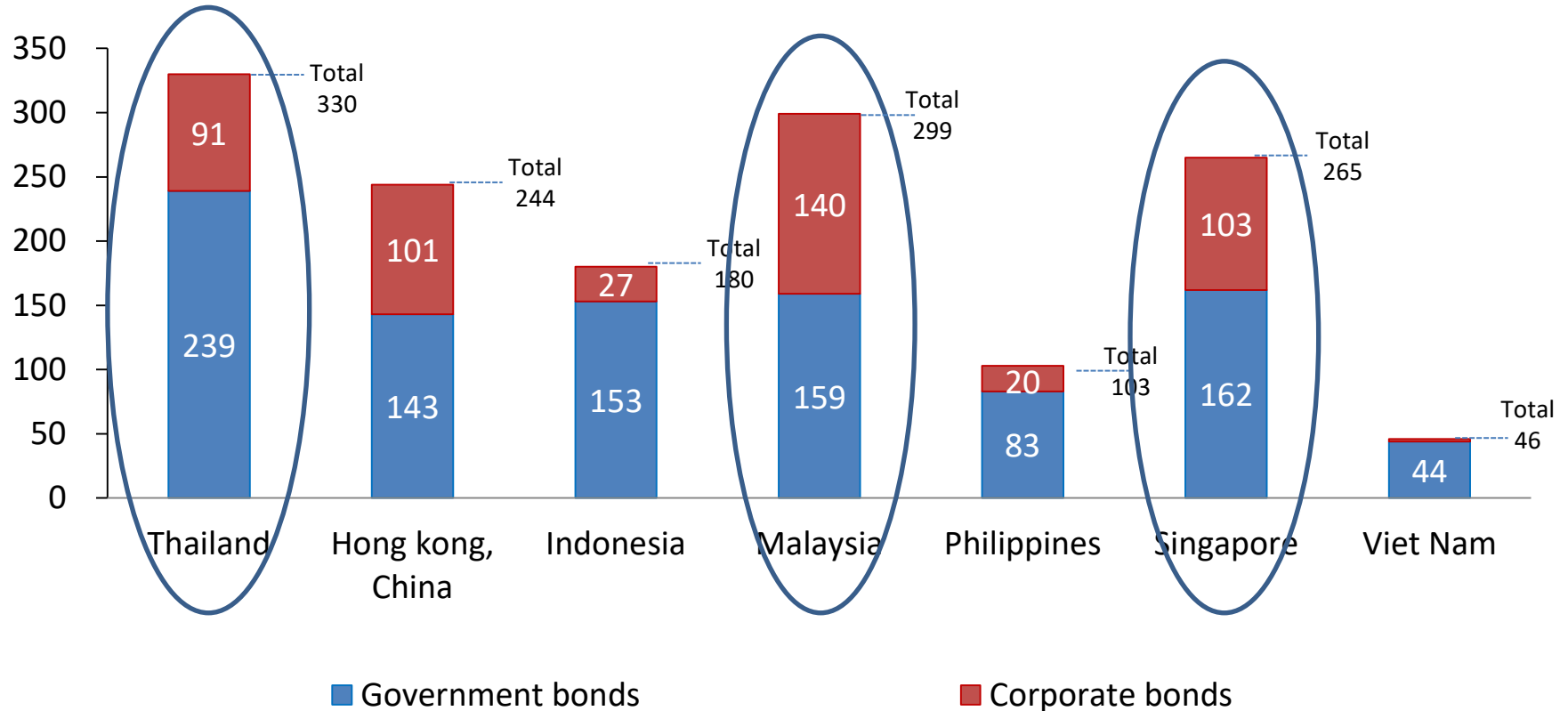
THB Trillion



Source: Thai BMA

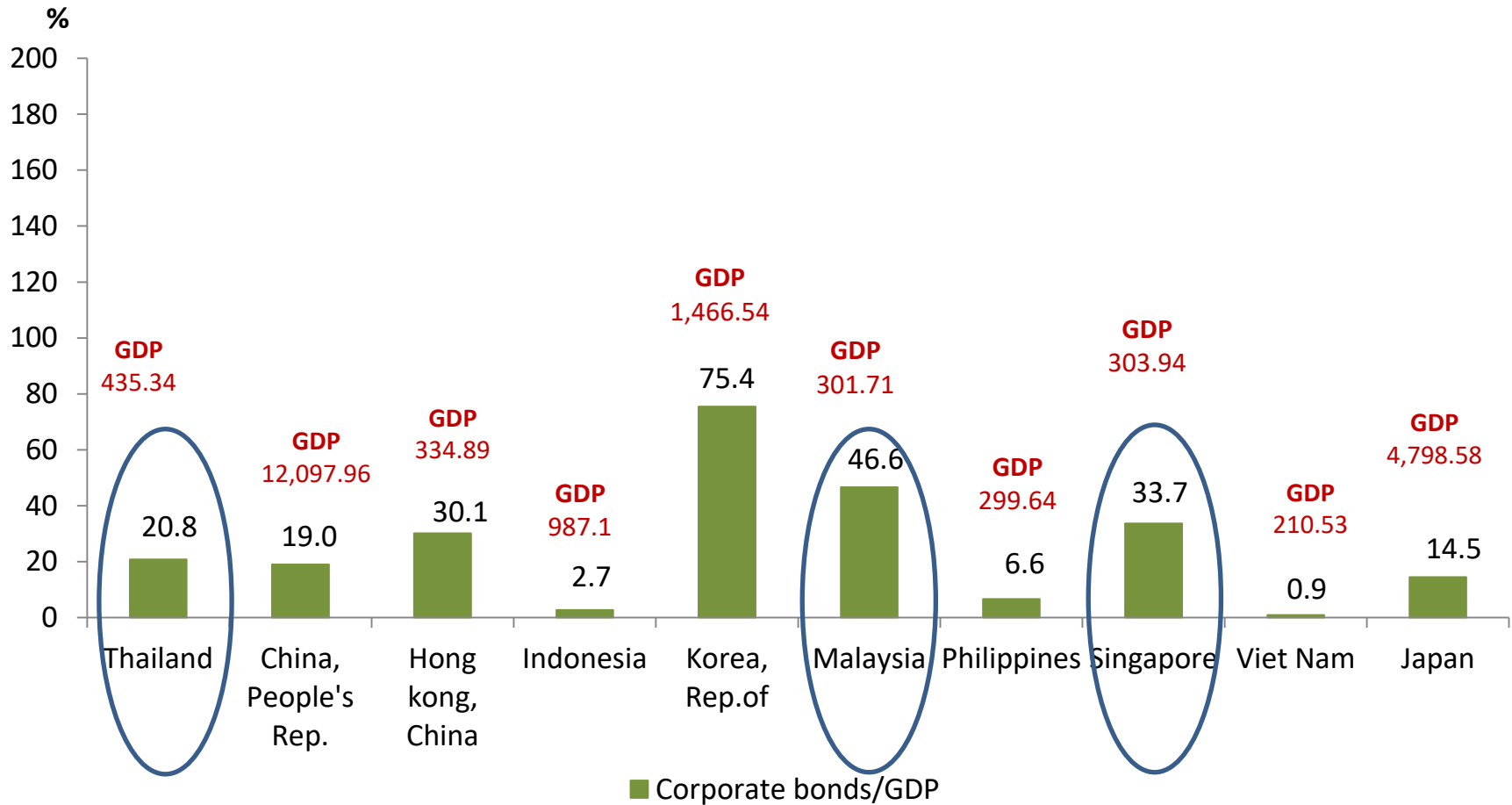
# Size of Government Bond and Corporate Bond Markets (as of Q3/2017)

USD billion



Source: Asian Development Bank

## Size of Corporate Bond Market to GDP (as of Q3/2017)

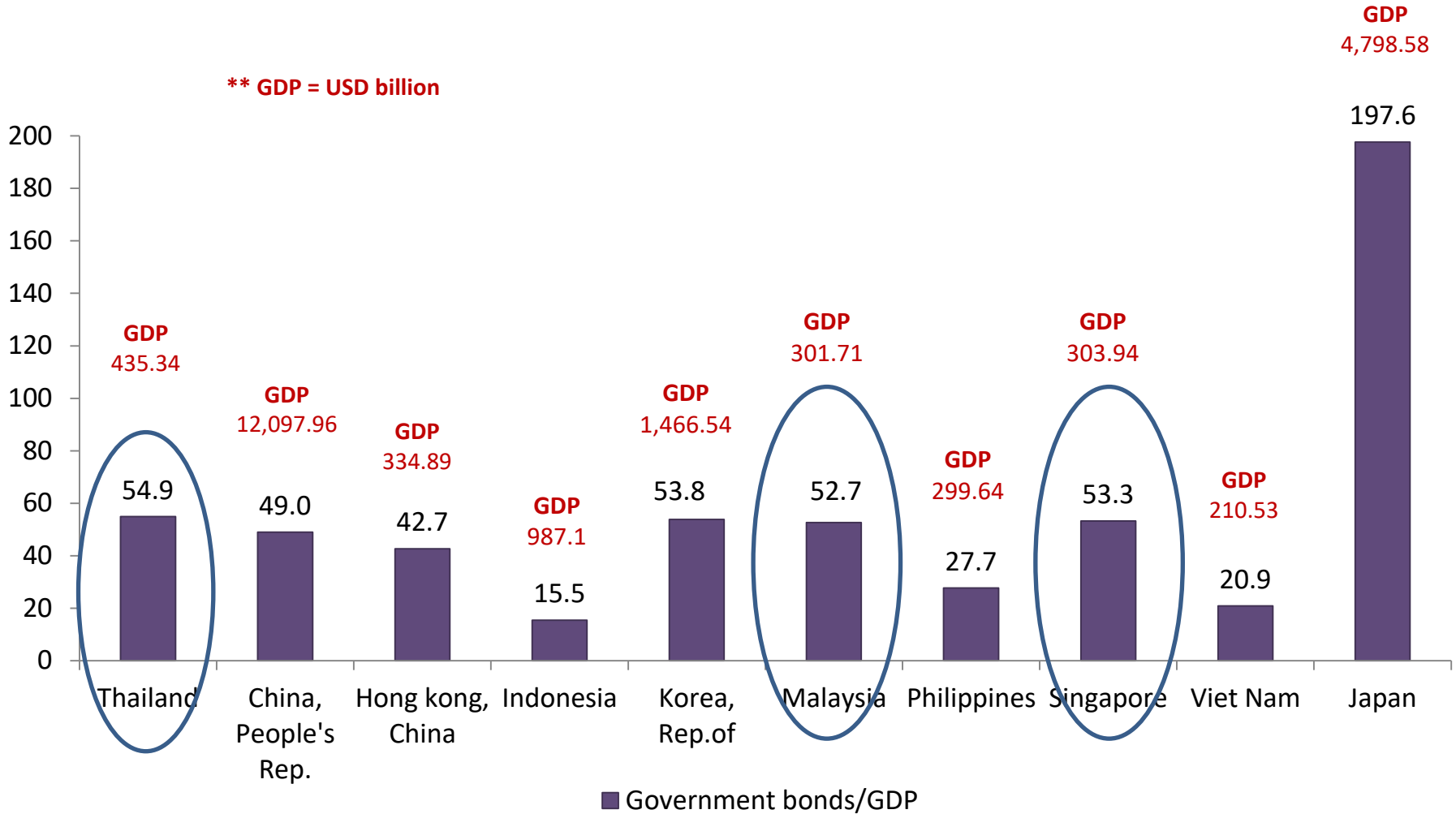


Source: Asian Development Bank

# Size of Government Bond Market to GDP (as of Q3/2017)

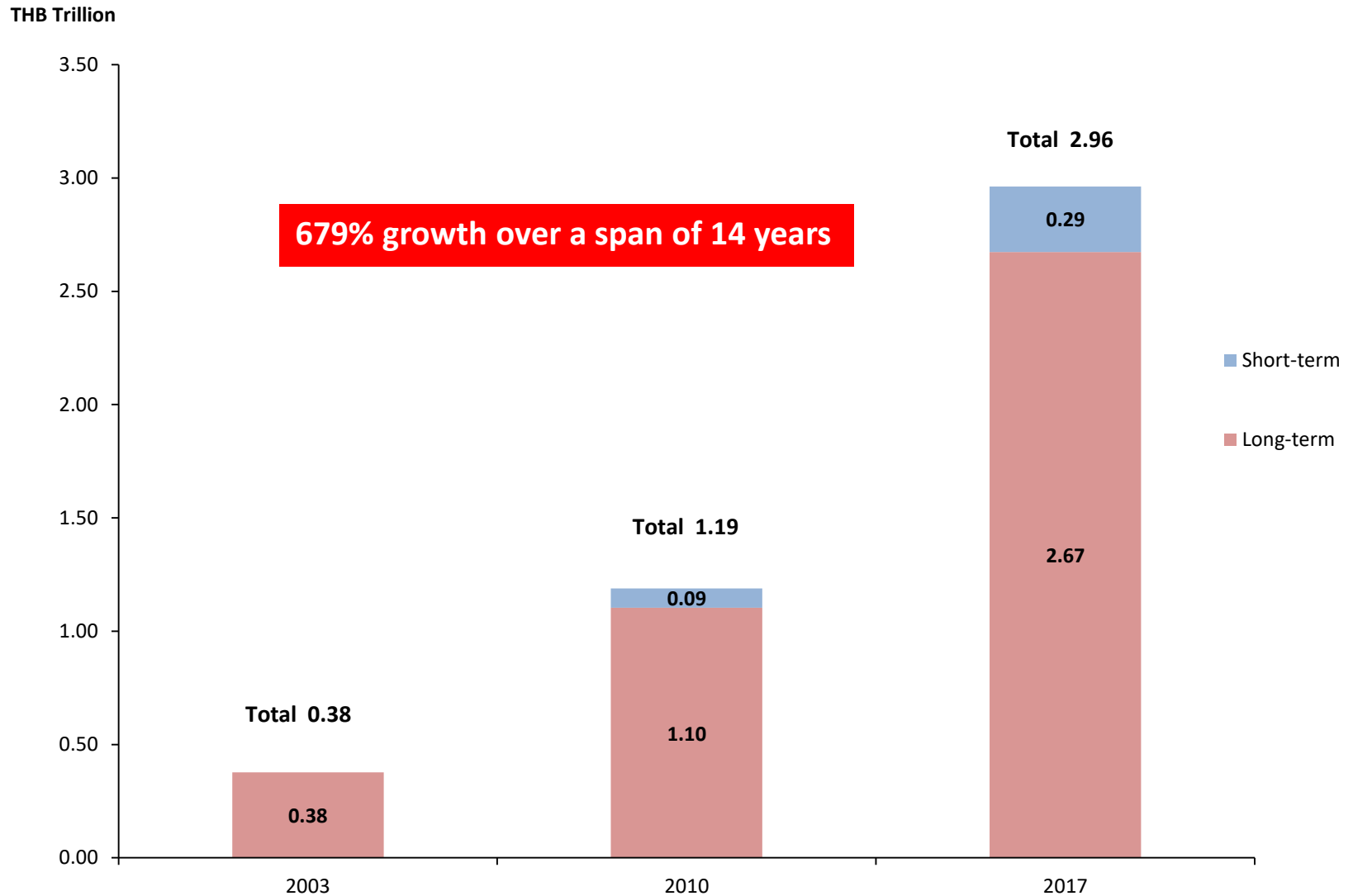
%

\*\* GDP = USD billion



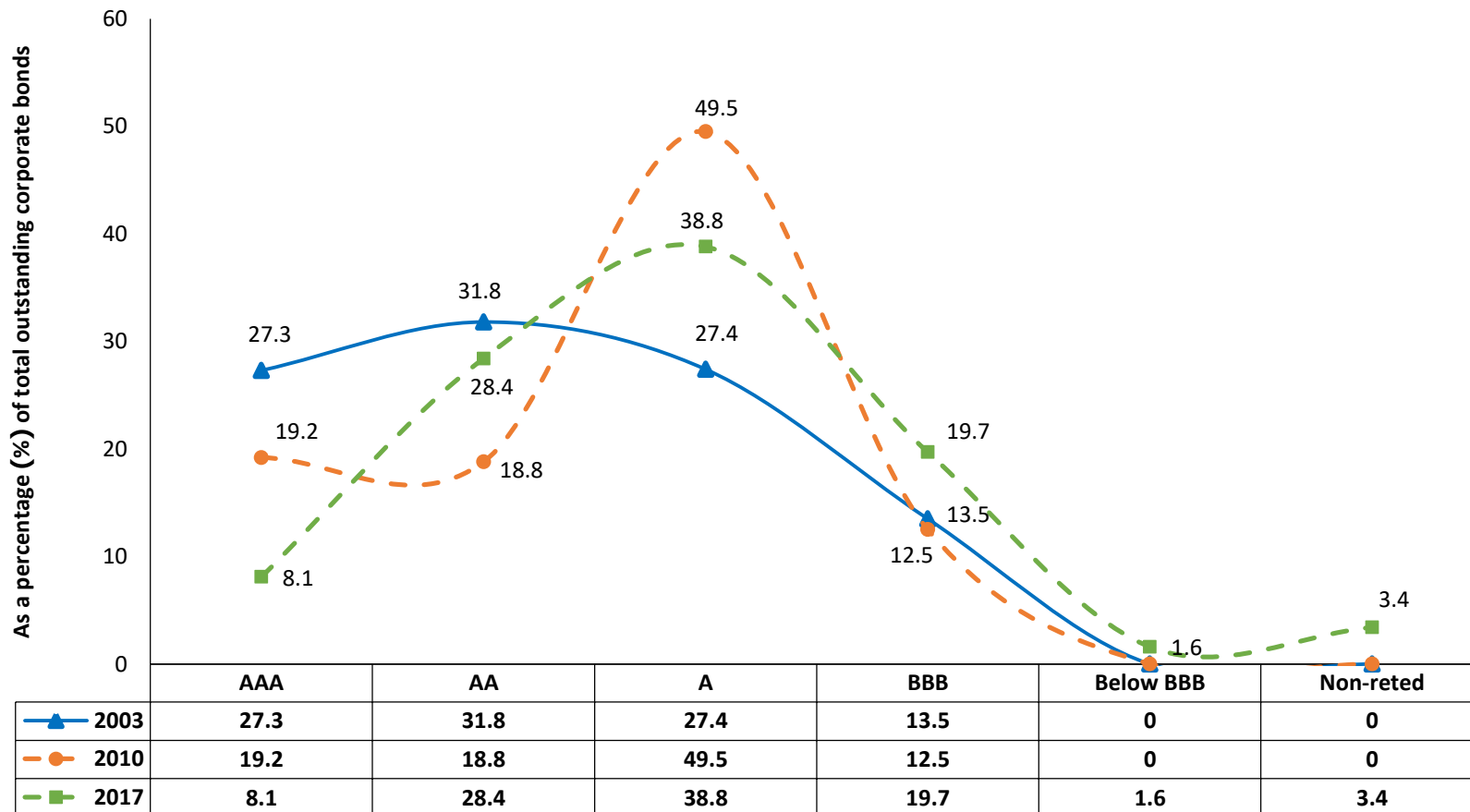
Source: Asian Development Bank

# Size of Thailand Corporate Bond Market



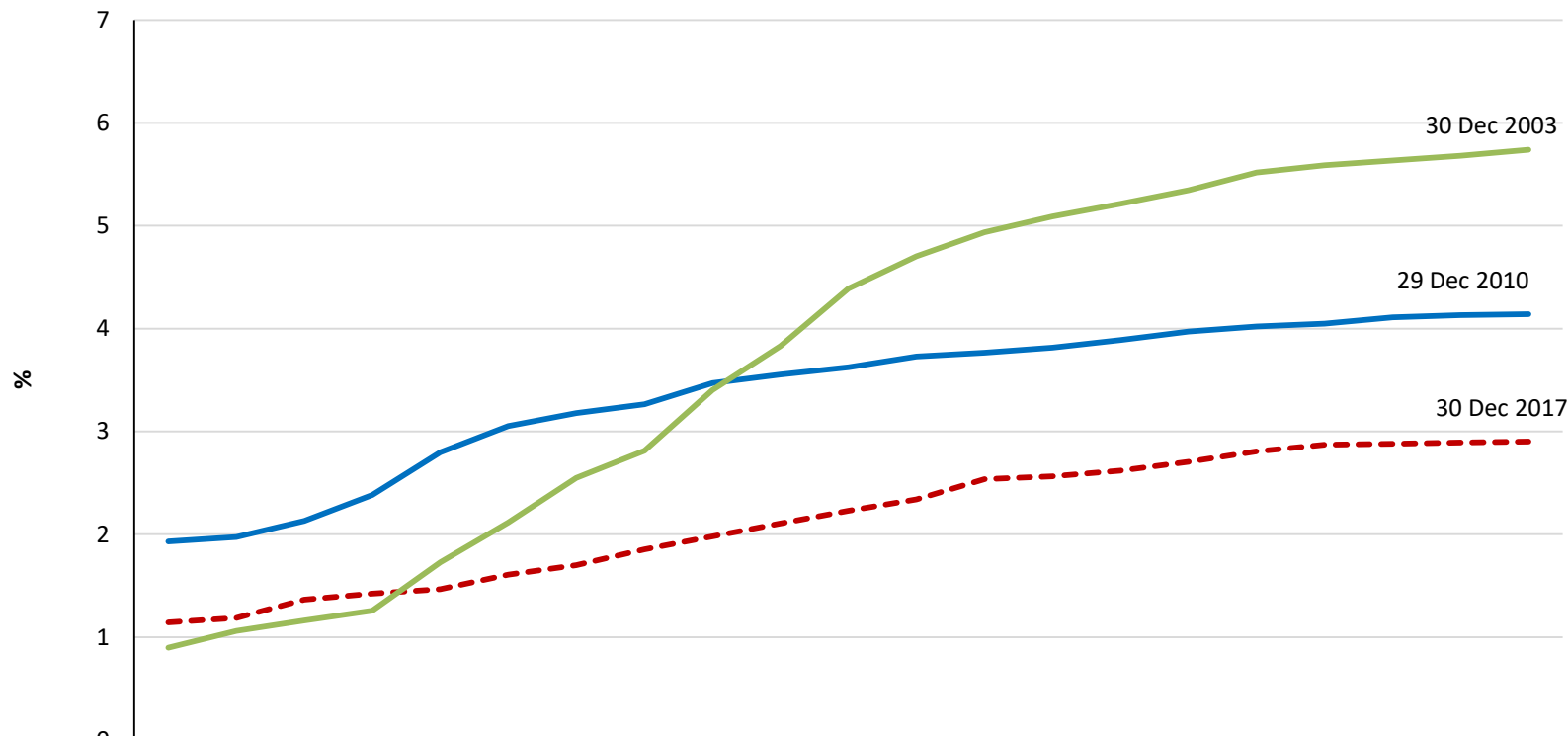
Source: Thai BMA

# Distribution of Rating Categories (based on principal amount of outstanding bonds)



Source: Thai BMA

# Thailand Government Bond Yields

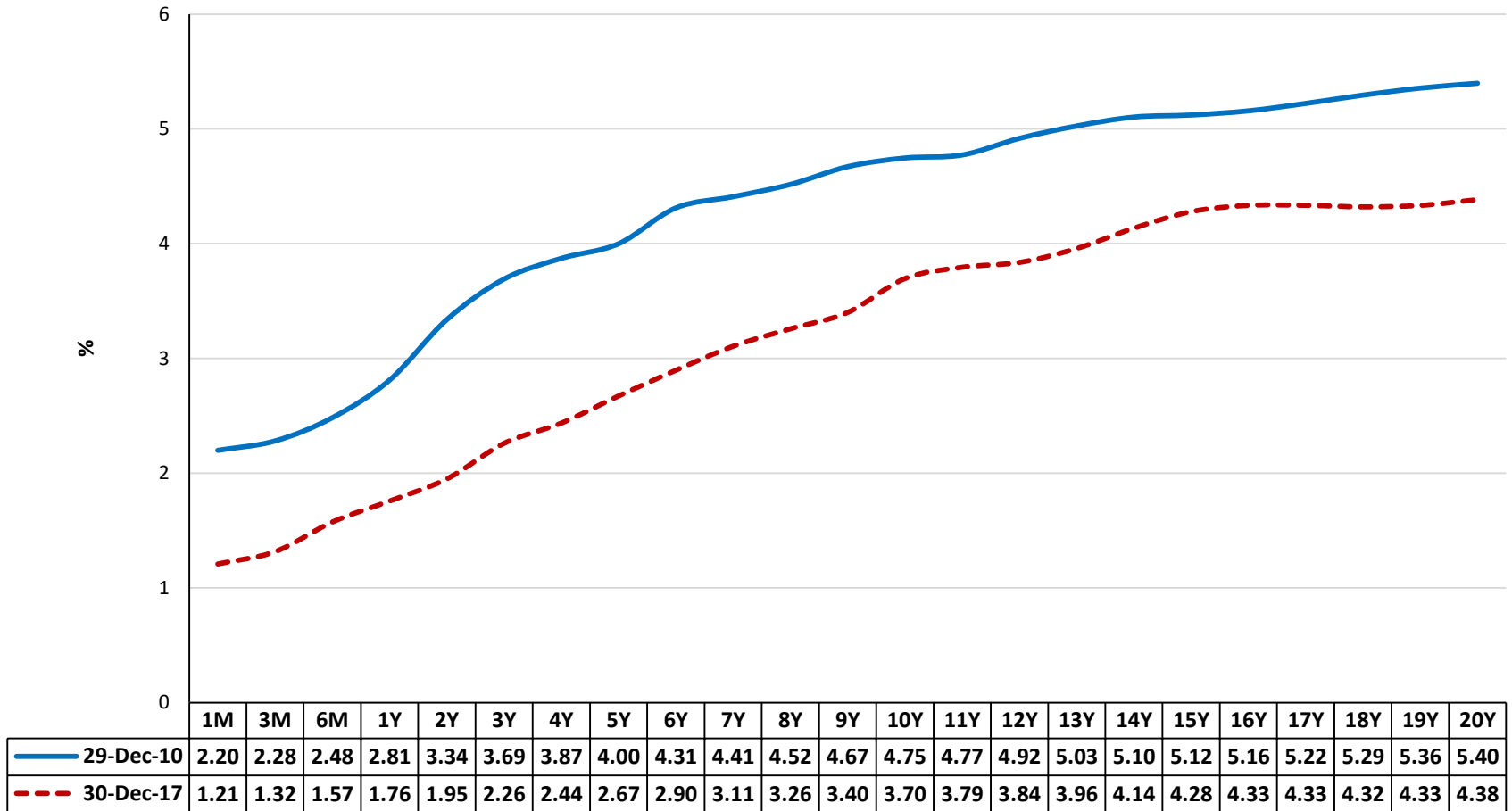


	1M	3M	6M	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	11Y	12Y	13Y	14Y	15Y	16Y	17Y	18Y
--- 30-Dec-17	1.15	1.19	1.37	1.42	1.47	1.61	1.70	1.85	1.98	2.11	2.23	2.34	2.54	2.56	2.62	2.70	2.81	2.87	2.88	2.89	2.90
— 29-Dec-10	1.93	1.97	2.13	2.38	2.80	3.05	3.18	3.26	3.47	3.55	3.62	3.73	3.77	3.81	3.89	3.97	4.02	4.05	4.11	4.13	4.14
— 30-Dec-03	0.90	1.06	1.16	1.26	1.73	2.12	2.55	2.81	3.40	3.83	4.39	4.70	4.94	5.09	5.21	5.34	5.52	5.59	5.63	5.68	5.74

Source: Thai BMA



# Thailand Average Corporate Bond Yields for A Rated Issues



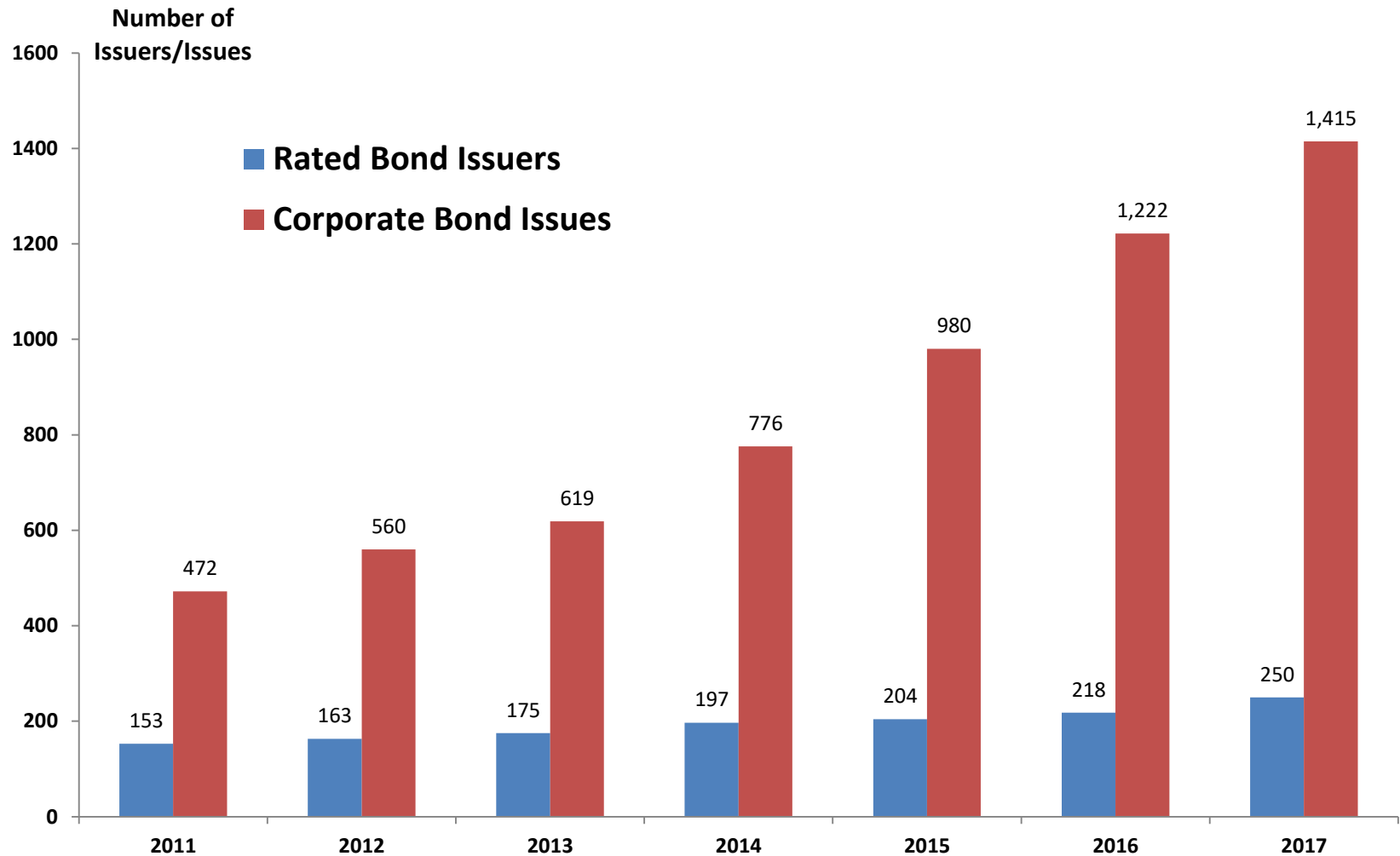
Source: Thai BMA

# Average Bond Yields (%)

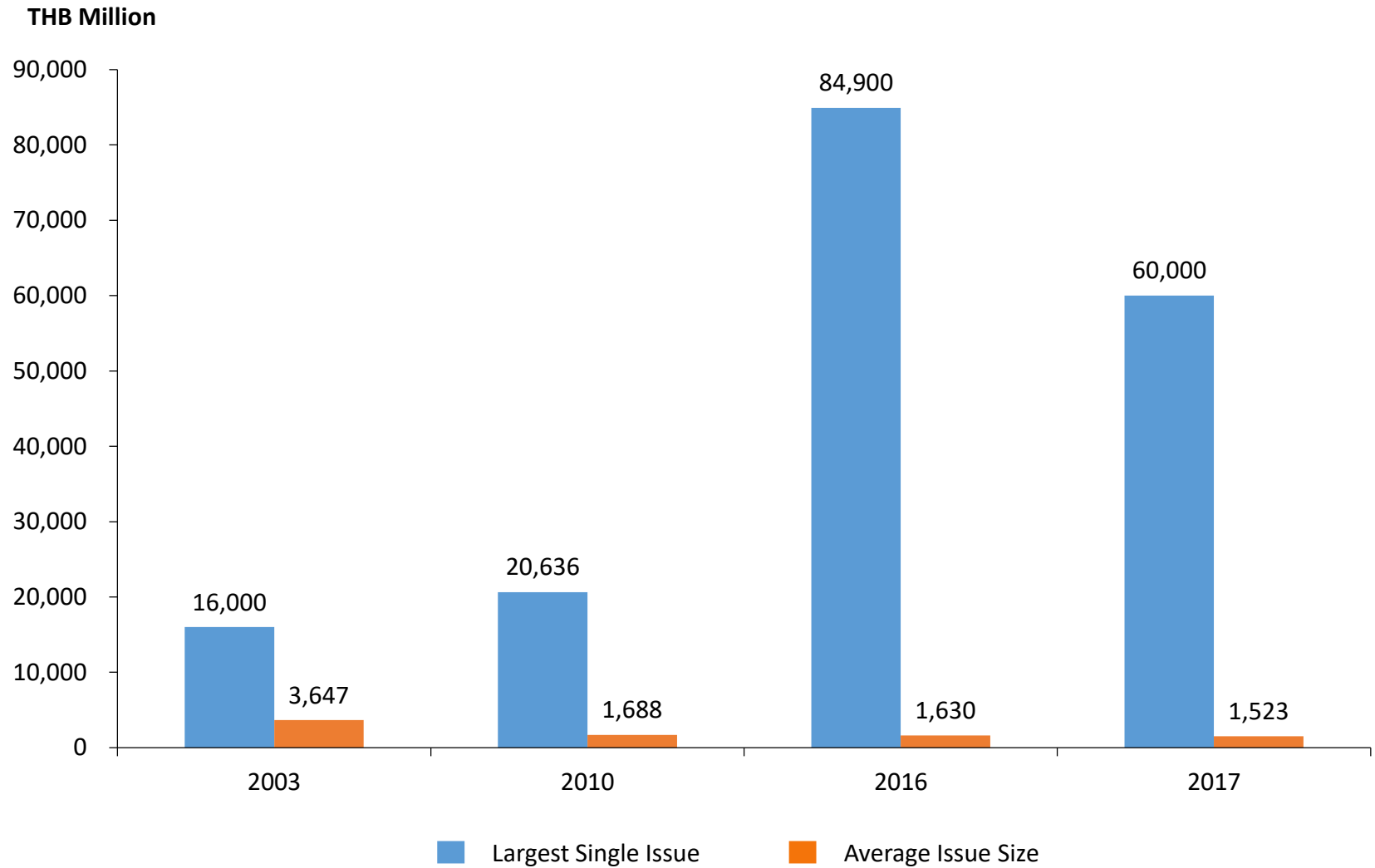
	5 Years	10 Years
<b>Government Bonds (15/03/18)</b>	1.84	2.55
<b>Government Bonds (28/02/18)</b>	1.85	2.55

<b>Corporate Bonds (28/02/18)</b>	5 Years	Spread	10 Years	Spread
<b>AAA</b>	2.26	0.41	3.17	0.62
<b>AA</b>	2.48	0.63	3.46	0.91
<b>A</b>	2.59	0.74	3.61	1.06
<b>BBB</b>	4.36	2.51	5.58	3.03

# Number of Outstanding Rated Issuers & Corporate Bond Issues



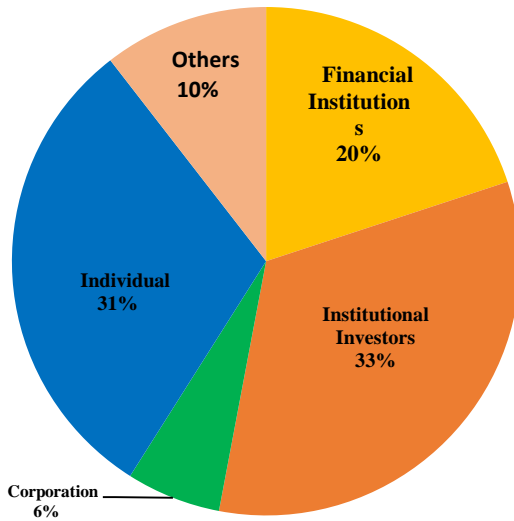
# Issue Size Comparison



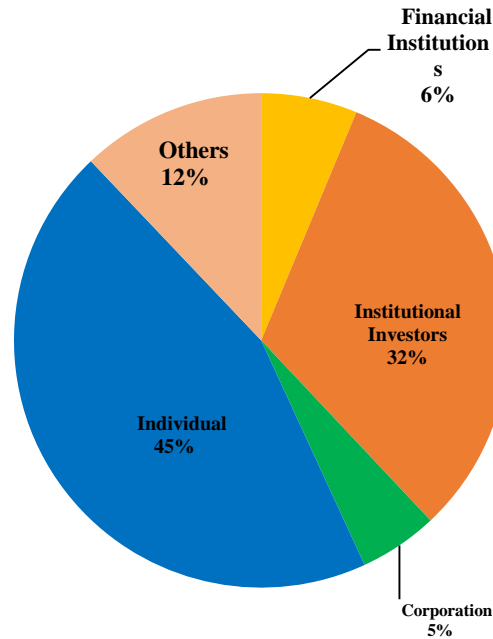
Source: Thai BMA

# Thailand Corporate Bond Investors

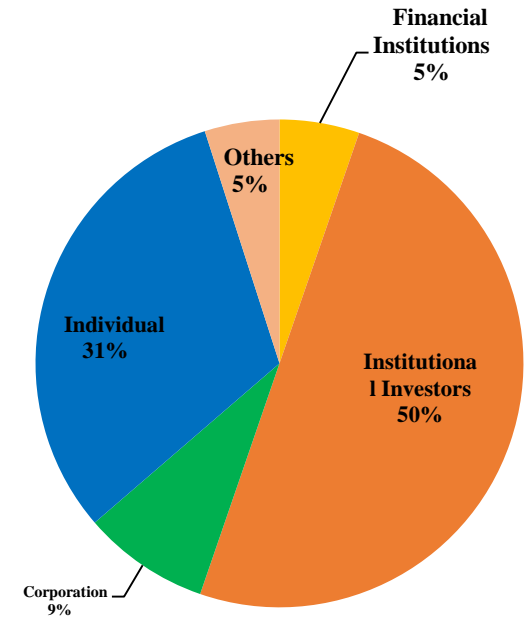
2003



2010

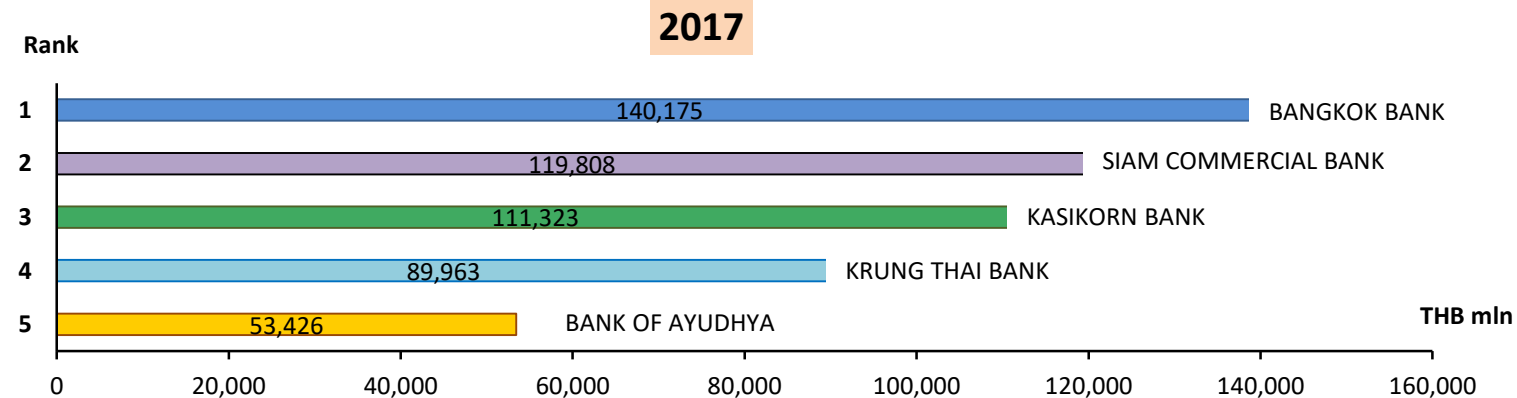
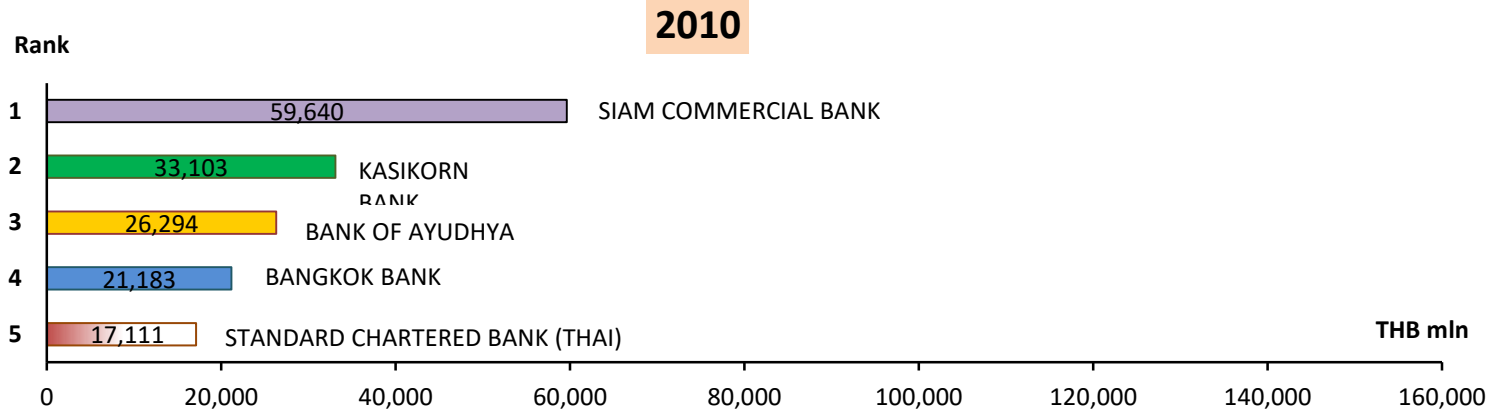
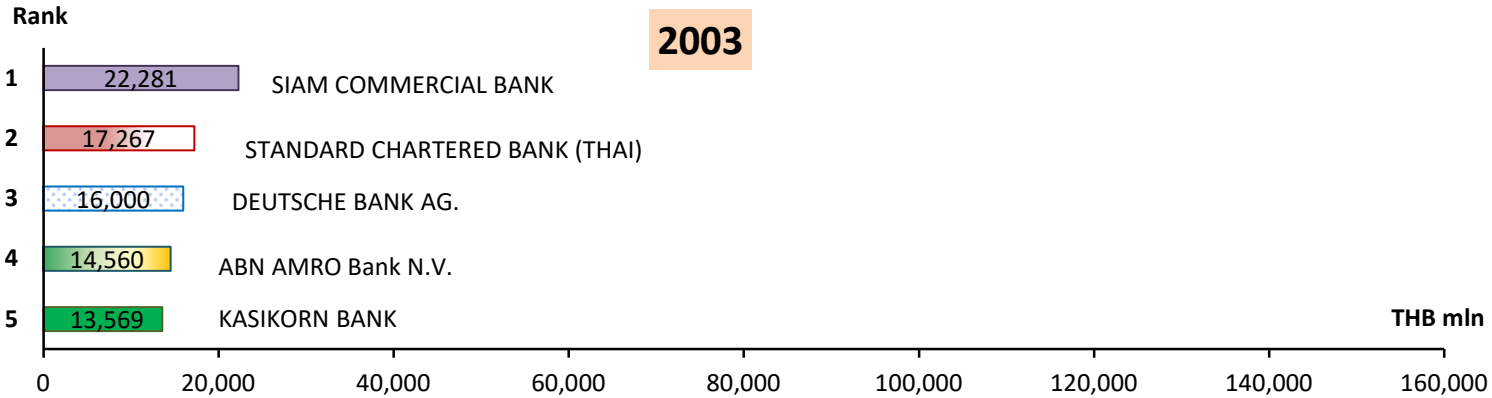


2017



Source: Thai BMA

# Thailand Corporate Bond Lead Underwriters



# Bond Market vs Loan Market

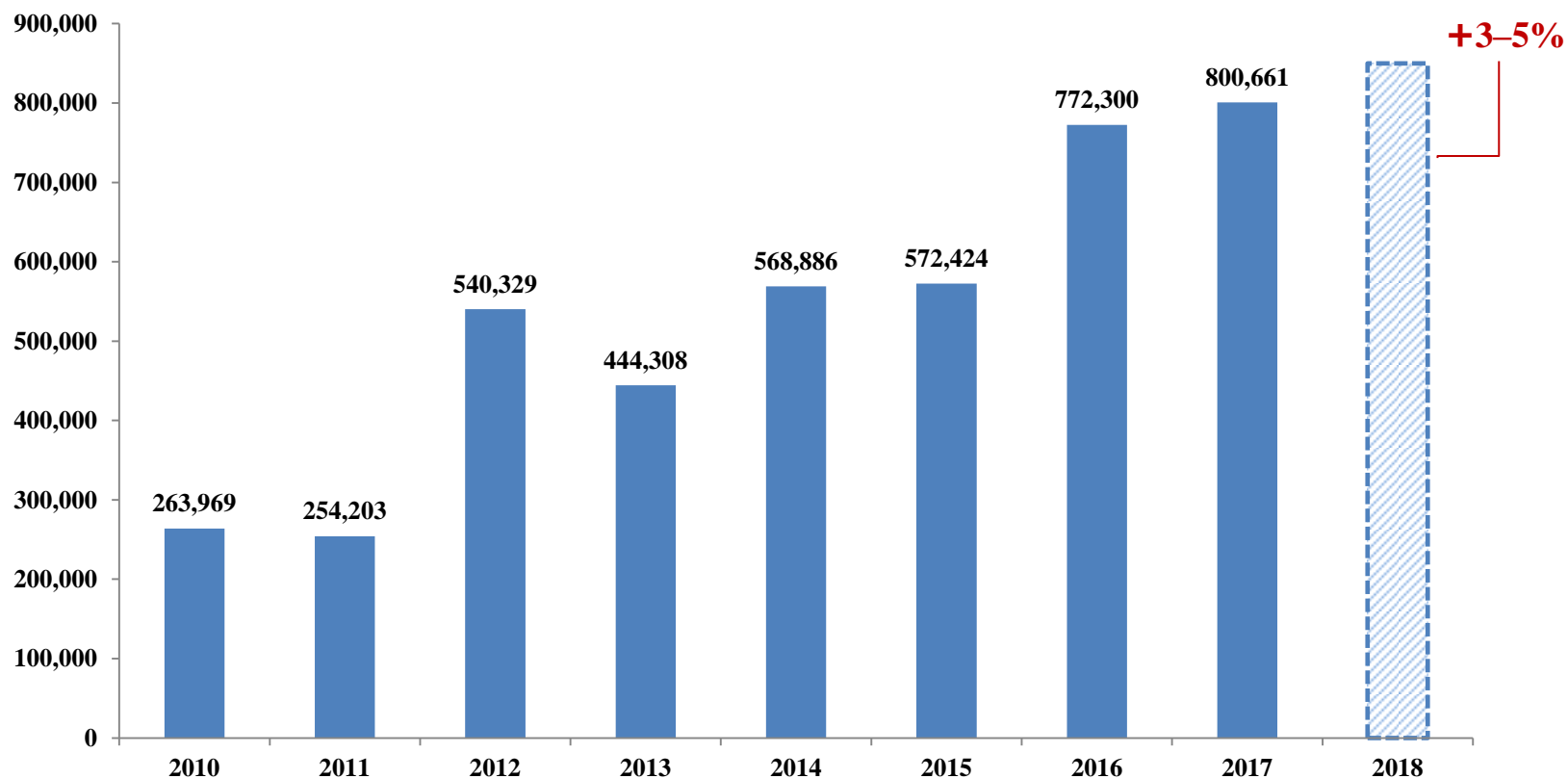
**Bond market is going to overtake corporate loan market in size**



Source: Thai BMA, Bank of Thailand

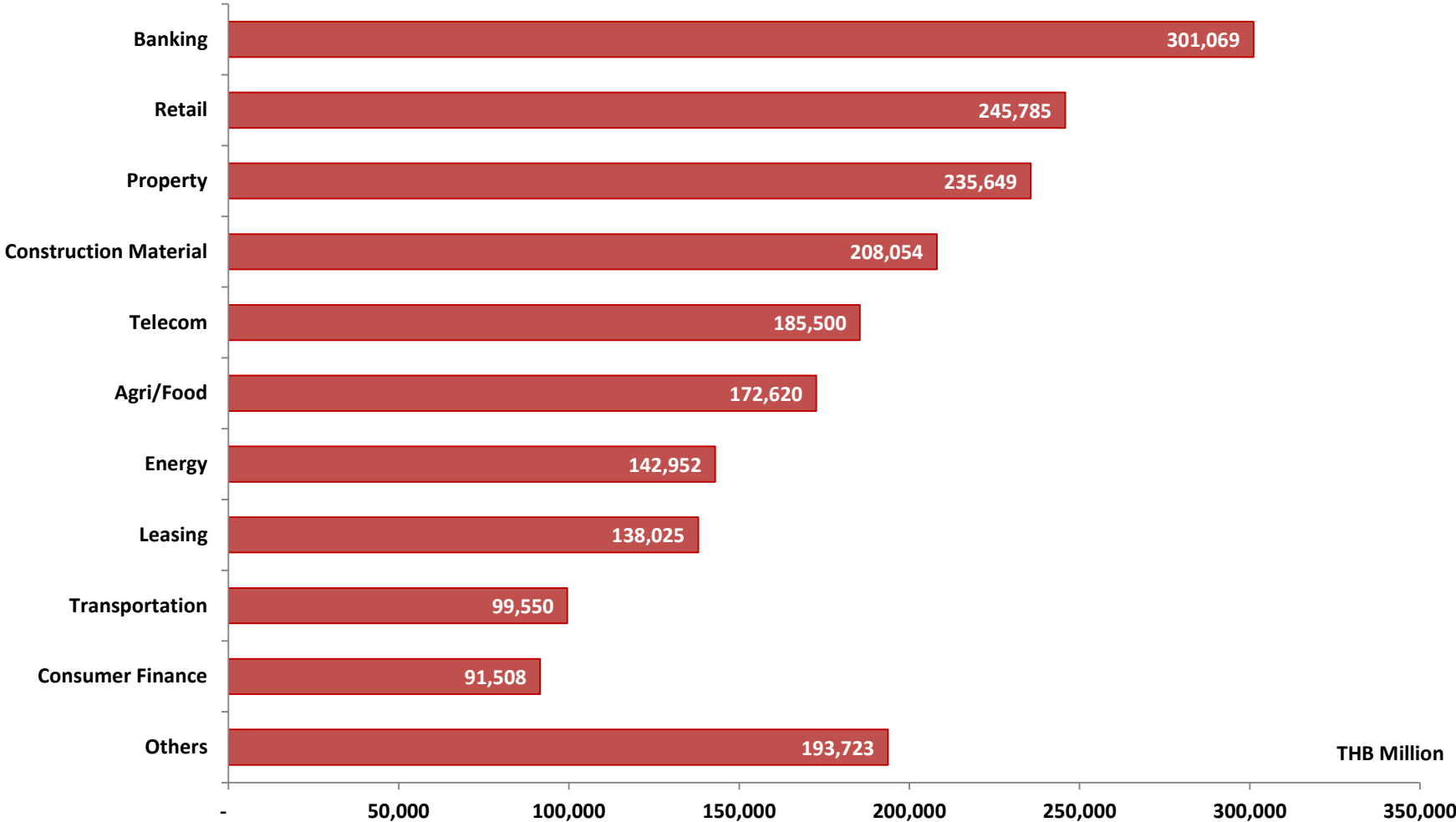
# Estimated Corporate L-T Bond Issuances in 2018

THB Million





# Bond Issuances 2015-2017 by Sectors



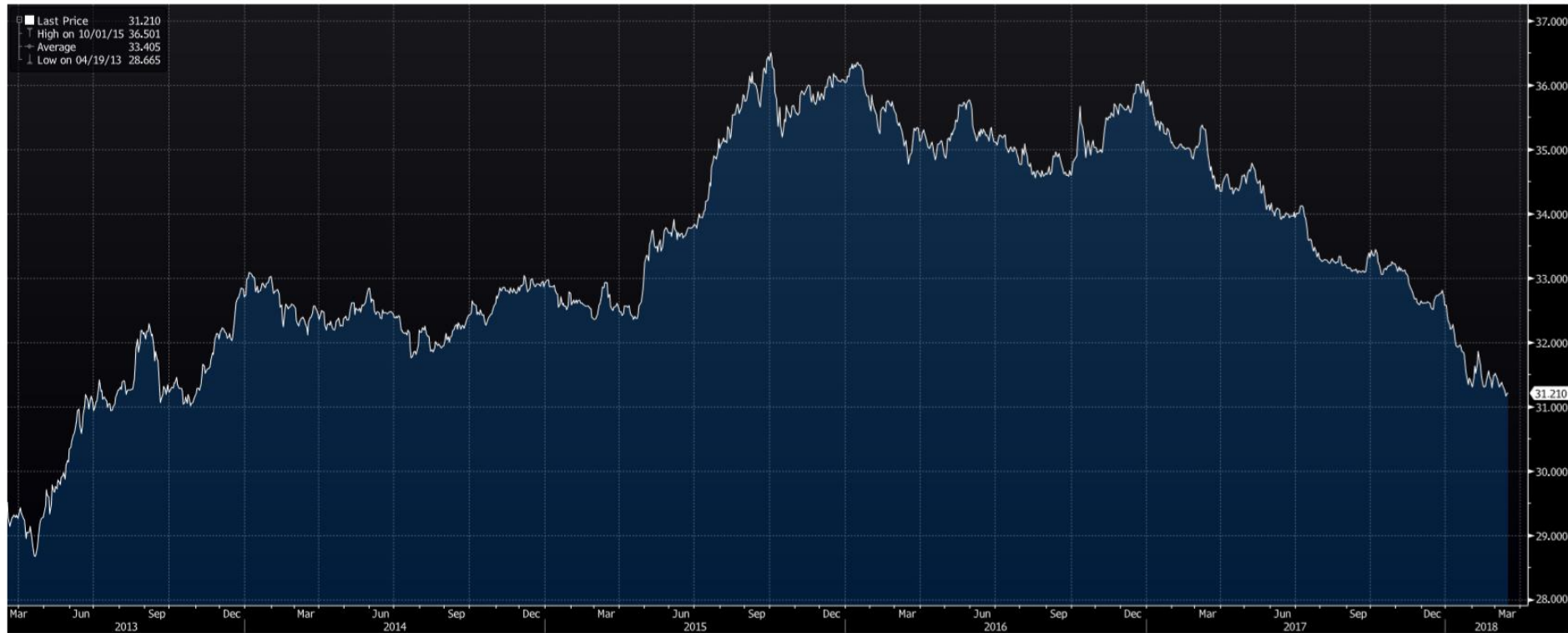
Source: Thai BMA, TRIS Rating

# Trend of foreign exchange rate USD/Baht (last 20 years)



Source : Bloomberg

# Trend of foreign exchange rate USD/Baht (last 5 years)



Source : Bloomberg

**THANK YOU**