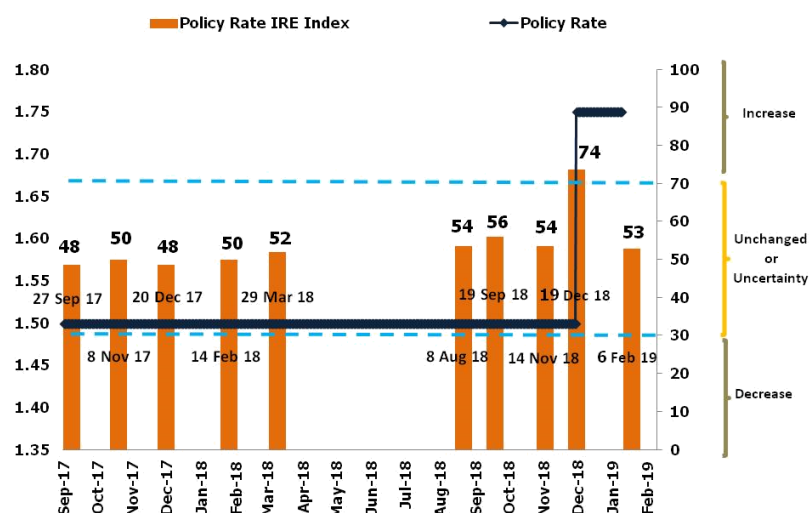


♣ Interest Rate Expectation Index for February 2019 ♣

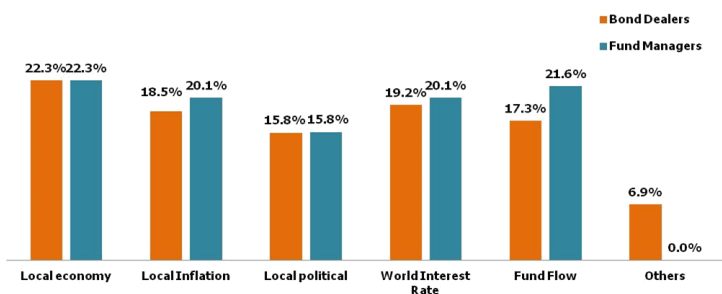
The Interest Rate Expectation (IRE) Index for the Bank of Thailand’s Monetary Policy Committee (MPC) meeting in February 2019 stands at 53, down from the previous survey and dropping back into the index’ unchanged range. Primary factors contributing to this movement include low levels of economic growth, international fund flows, global interest rate trends, and inflation rates. Meanwhile, the Interest Rate Expectation Index for 5-year government bond yields through the March 2019 MPC meeting (10 weeks hence) stood at 58, significantly reduced from the previous report and the lowest since the survey began. This IRE index was in the unchanged range. The Interest Rate Expectation Index for 10-year government bond yields also fell markedly to 70, but remained within the increase range. Factors affecting these indices were foreign fund flows and demand and supply in the bond market.

Policy Rate IRE Index compared to Policy Rate



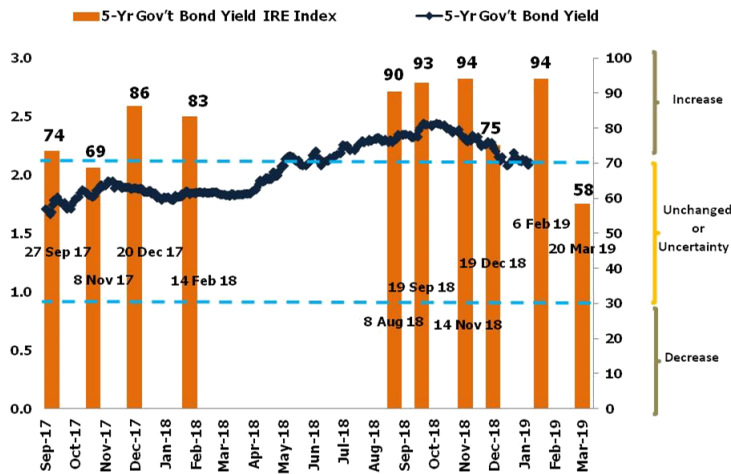
♣ The Interest Rate Expectation Index for the next Bank of Thailand MPC meeting being held February 6, 2019 was at 53, a significant decrease from the previous report and falling back into the unchanged range. This reflects market sentiment that the MPC meeting in February will continue to maintain the policy rate at 1.75%. Most bond dealers and fund managers responding to the survey share the same sentiment.

Factors Affecting the Interest Rate Policy Trends



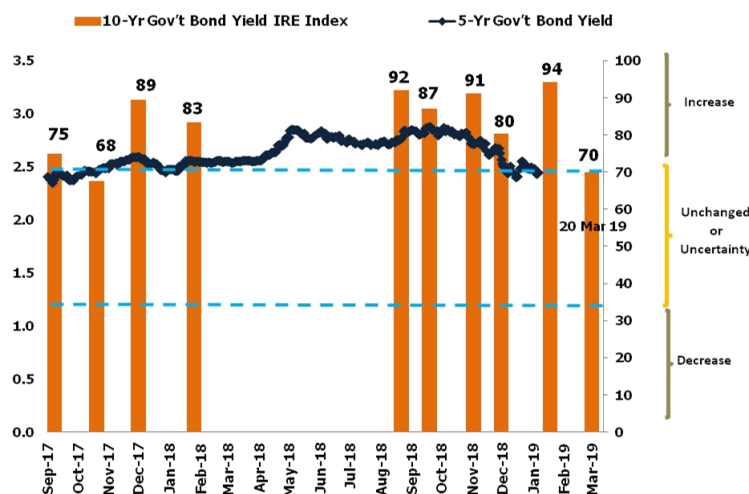
♣ Bond dealers and fund managers continue to focus on economic growth as the primary factor affecting interest rate trends. But their focuses are different for secondary and tertiary factors, namely bond dealers emphasize global interest rate trends followed by the rate of inflation, while fund managers focus on foreign investor fund flows and global interest rates

5-Year IRE Index compared to 5-Year Government Bond Yields



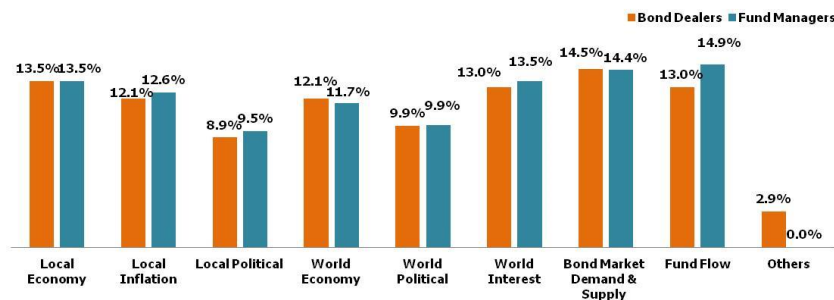
♣ The Interest Rate Expectation Index for 5-Year Government Bonds through the next two meetings of the Bank of Thailand MPC (through March 20, 2019) is at 58 residing within the index' unchanged range, a significant decrease from the previous level of 94. These results reflect the market's growing expectation that yields on 5-year Government Bonds will not change from 2.15% over the ten weeks following the January 11, 2019 survey. Both bond dealers and fund managers share the same view.

10-Year IRE Index compared to 10-Year Government Bond Yields



♣ The Interest Rate Expectation Index for 10-Year Government Bonds for the period through the next two Bank of Thailand MPC meetings (through March 20, 2019) stands at 70, much reduced from the previous index level of 94 but still within the index' Increase range. This reflects the declining market sentiment that the 10-year Government Bond yields will increase from 2.53% in the period following the January 11, 2019 survey. Both bond dealers and fund managers share the same view.

Factors Affecting Long-term Government Bond Yields



♣ As to the factors affecting yields on 5-Year and 10-Year Government Bonds, fund managers give greatest emphasis to foreign investor fund flows while bond dealers focus on supply and demand in the bond market as the primary factor.

Disclaimer: The Interest Rate Expectations Survey was developed with the objective to present statistical data related to Thai capital market and to report on interest rate trends over the next six weeks according to the MPC meeting. The indexing is only a prediction of interest rate trends from bond traders and bond fund managers, who may have different opinions. Our team makes no representations about the accuracy of the information nor is it liable for any damages. If any person reproduces, falsifies, reposts, modifies, publishes, or otherwise uses the data contained herein in a manner that is exploitive for trading purposes or that creates a wrongful benefit without prior permission, all or part of the team reserves the right to act in accordance with the law.