

Thailand

Total local currency (LCY) bonds outstanding in Thailand fell 0.7% quarter-on-quarter (q-o-q) to reach THB13,923.5 billion (USD464.8 billion) at the end of the fourth quarter (Q4) of 2020. The contraction in LCY bonds outstanding was driven by negative q-o-q growth in both the government and corporate bond segments. The 0.3% q-o-q decline in government bonds outstanding in Q4 2020 reversed the 5.4% q-o-q growth posted in the third quarter (Q3) of 2020. Meanwhile, the 1.8% q-o-q drop in outstanding corporate bonds in Q4 2020 reversed the 1.1% q-o-q growth in the prior quarter.

Table 1: Size and Composition of the Local Currency Bond Market in Thailand

	Outstanding Amount (billion)						Growth Rate (%)			
	Q4 2019		Q3 2020		Q4 2020		Q4 2019		Q4 2020	
	THB	USD	THB	USD	THB	USD	q-o-q	y-o-y	q-o-q	y-o-y
Total	13,236	446	14,018	444	13,923	465	2.2	6.4	(0.7)	5.2
Government	9,451	318	10,260	325	10,232	342	2.5	5.2	(0.3)	8.3
Government Bonds and Treasury Bills	4,940	166	5,735	182	6,020	201	2.3	4.3	5.0	21.9
Central Bank Bonds	3,718	125	3,702	117	3,365	112	2.3	6.9	(9.1)	(9.5)
State-Owned Enterprise and Other Bonds	793	27	823	26	846	28	4.7	2.8	2.8	6.7
Corporate	3,786	127	3,758	119	3,692	123	1.6	9.4	(1.8)	(2.5)

(-) = negative, LCY = local currency, q-o-q = quarter-on-quarter, Q3 = third quarter, Q4 = fourth quarter, THB = Thai baht, USD = United States dollar, y-o-y = year-on-year.

Notes:

1. Calculated using data from national sources.
2. Bloomberg end-of-period LCY-USD rates are used.
3. Growth rates are calculated from an LCY base and do not include currency effects.

Source: Bank of Thailand.

New issuance of corporate bonds reached THB277.0 billion in Q4 2020, down from THB324.5 billion in Q3 2020. Growth contracted 14.6% q-o-q and 27.3% year-on-year amid weak investor confidence. Siam Cement led all issuers of new corporate bonds during the quarter, with total issuance amounting to THB25.0 billion.

Table 2: Notable Local Currency Corporate Bond Issuances in the Fourth Quarter of 2020

Corporate Issuers	Coupon Rate (%)	Issued Amount (THB billion)	Corporate Issuers	Coupon Rate (%)	Issued Amount (THB billion)
Siam Cement			Indorama Venture		
4-year bond	2.80	25.0	5-year bond	2.78	4.0
ICBC Thai Leasing			7-year bond	3.15	2.0
1-year bond	1.28	2.5	10-year bond	3.42	3.0
2.3-year bond	0.00	4.6	BTS Group Holdings		
3-year bond	1.85	2.2	2-year bond	2.10	0.5
4-year bond	2.13	3.0	3-year bond	2.44	4.0
Bangkok Commercial Asset Management			5-year bond	2.86	1.5
2.5-year bond	2.83	4.1	7-year bond	3.11	2.0
5-year bond	3.41	5.4	10-year bond	3.41	0.6
10-year bond	3.92	0.6			

THB = Thai baht.

Source: Bloomberg LP.

The aggregate LCY bonds outstanding of the top 30 corporate issuers in Thailand amounted to THB2,155.4 billion at the end of December 2020, comprising 58.4% of the LCY corporate bond market. Siam Cement remained the largest issuer, with aggregate bonds outstanding amounting to THB175.0 billion. Food and beverage firms held the largest share of outstanding corporate bonds with an aggregate amount of THB389.4 billion.

Table 3: Top 30 Issuers of Local Currency Corporate Bonds in Thailand

Issuers	Outstanding Amount		State-Owned	Listed Company	Type of Industry
	LCY Bonds (THB billion)	LCY Bonds (USD billion)			
1. Siam Cement	175.0	5.8	Yes	Yes	Construction Materials
2. CP ALL	173.1	5.8	No	Yes	Commerce
3. Thai Beverage	170.3	5.7	No	No	Food and Beverage
4. Bank of Ayudhya	123.8	4.1	No	Yes	Banking
5. Berli Jucker	121.9	4.1	No	Yes	Commerce
6. True Move H Universal Communication	115.8	3.9	No	No	Communication
7. Charoen Pokphand Foods	109.7	3.7	No	Yes	Food and Beverage
8. True Corp	104.3	3.5	No	No	Communication
9. PTT	92.6	3.1	Yes	Yes	Energy and Utilities
10. CPF Thailand	76.0	2.5	No	No	Food and Beverage
11. Toyota Leasing Thailand	70.5	2.4	No	No	Finance and Securities
12. Indorama Ventures	69.5	2.3	No	Yes	Petrochemicals and Chemicals
13. Minor International	62.0	2.1	No	Yes	Hospitality and Leisure
14. Bangkok Commercial Asset Management	54.2	1.8	No	Yes	Finance and Securities
15. PTT Global Chemical	51.7	1.7	No	Yes	Petrochemicals and Chemicals
16. TPI Polene	46.2	1.5	No	Yes	Property and Construction
17. Global Power Synergy	45.0	1.5	No	Yes	Energy and Utilities
18. Krung Thai Bank	44.0	1.5	Yes	Yes	Banking
19. Banpu	43.6	1.5	No	Yes	Energy and Utilities
20. Krungthai Card	43.6	1.5	Yes	Yes	Banking
21. dtac TriNet	39.0	1.3	No	Yes	Communications
22. Bangkok Expressway & Metro	38.7	1.3	No	Yes	Transportation and Logistics
23. Muangthai Capital	38.6	1.3	No	Yes	Finance and Securities
24. CH Karnchang	36.9	1.2	No	Yes	Property and Construction
25. ICBC Thai Leasing	36.4	1.2	No	No	Finance and Securities
26. Bangchak	36.0	1.2	No	Yes	Energy and Utilities
27. TMB Bank	35.4	1.2	No	Yes	Banking
28. Sansiri	34.7	1.2	No	Yes	Property and Construction
29. Land & Houses	33.6	1.1	No	Yes	Property and Construction
30. Mitr Phol Sugar Corp Ltd	33.4	1.1	No	No	Food and Beverage
Total Top 30 LCY Corporate Issuers	2,155.4	71.9			
Total LCY Corporate Bonds	3,691.9	123.2			
Top 30 as % of Total LCY Corporate Bonds	58.4%	58.4%			

LCY = local currency, THB = Thai baht, USD = United States dollar.

Notes:

1. Data as of 31 December 2020.

2. State-owned firms are defined as those in which the government has more than a 50% ownership stake.

Source: *AsianBondsOnline* calculations based on Bloomberg LP data.