

TSD & TCH Newsletter

Vol.23 • Quarter 4 • 2024



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TSD & TCH Service

Enhancing Post-trade system to support Short Selling Supervision

In response to the SEC's mandates to strengthen short selling oversight, TCH and TSD are enhancing their systems to improve market transparency on post-trade domain to facilitate the detection and prevention of suspicious transactions.

By doing so, TCH and TSD will adopt international market practice or SWIFT code conducive to identify purpose of settlement transaction. This granular data ensures market compliance in relation particularly to short selling transactions. Since it's mandatory action and the accurate information must be originated by clients who own settlement instructions, throughout year 2024, TCH and TSD has informed members to communicate with their clients to understand the consequence and prepare for such matters correspondingly to implementation timeline.

This initiative not only to enhance data flow and transparency for overall processes, benefiting market standard and supervision but also to elevate degree of automation in post-trade environment. It's expected to go live in Q4/2025.

TSD : CSD Services

e-Document Service with New Subscription Channel

Since the launch of the e-Document service in 2018 for sending some documents from TSD-Registrar via electronic channel instead of sending by post, at that time the investors can apply this services via TSD's website and Investor Portal. This initiative aims to support climate action and enhance data transmission efficiency.

In 2024, in order to grow the volumes of e-Document usage by leveraging the relationship between CSD's member and their clients, TSD has improved system to accommodate investors for subscribing e-Document service via their agents who are CSD's members (i.e. broker, custodian banks). This has been ready for use since December 2024.

TCH services

Adjustment of Equity Requirements for DCMs

TCH as clearing house for securities market has adjusted the equity requirement for Direct Clearing Members (DCMs) by reducing it from 400 million baht to 250 million baht while the equity requirement for GCMs remains unchanged at 500 million baht.

This alleviation will not only lower barrier to entry for newcomer but also reduce financial burdens for existing members to operate their business more flexibly corresponding to their business risk profile. This also aligns with international standards where reasonable participation risks should be addressed to establish membership requirement. The new rules took effect on October 15, 2024.

Remark: (1) GCM: a member who undertakes the securities clearing and settlement for itself or clients, or for other members or other members' clients.

(2) DCM: a member who undertakes the securities clearing and settlement for itself or clients whereby the member's client must not be the Exchange's members or TCH's members.

Additional Margin Requirement for Derivatives market

TCH has revised the evaluation of Additional Margin Requirement for "Uncovered Risk Margin and Concentration Margin" in Derivatives market to align them with international standards.

For Uncovered Risk Margin, the maximum price change has been adjusted in calculation assumption from a 1-day to a 2-day period and TCH will collect when the risk value of any single member or any two members from a stress event exceeds the Financial Resources value as determined by TCH. For the assumption of Concentration Margin, which was previously assessed at an overall product level, it is now be evaluated at an individual product level. All of these adjustments provide a more granular and precise risk assessment and fairer margin collection, which eventually leads to stronger financial safeguards.

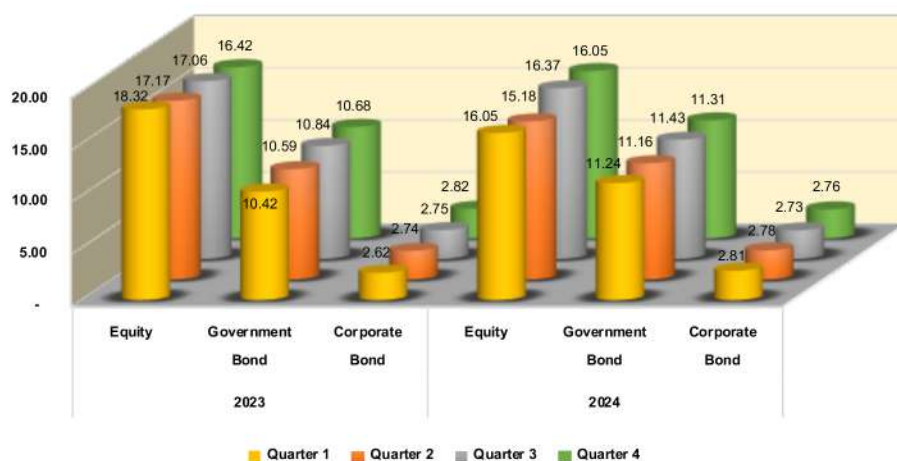
This new margin requirement started in November 2024 with a 2-year transition period for members to adjust and prepare for full implementation.



1

Total Asset Value under Custody

(Unit: Trillion THB)



Bond Settlement (Over-the-Counter)

2

(Unit: Transactions)

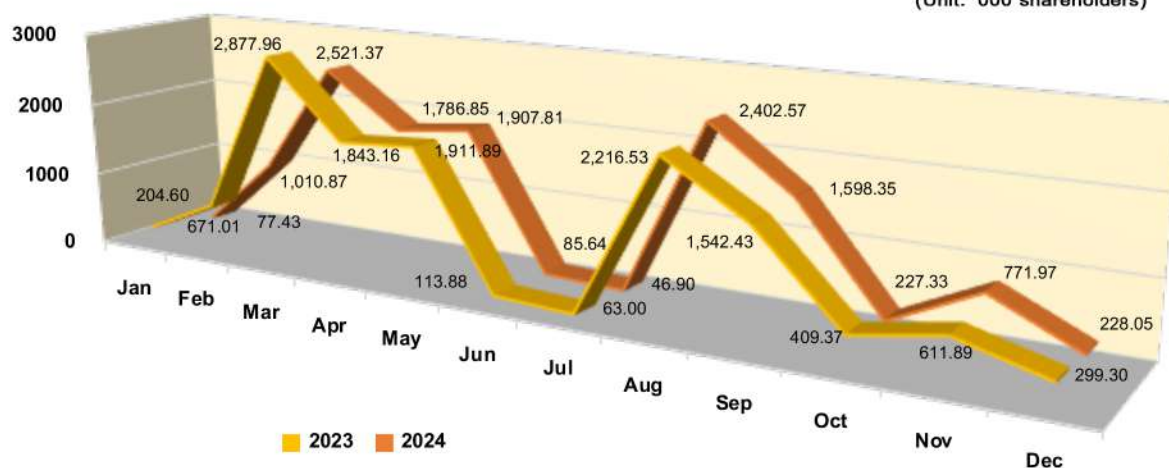
(Unit: Trillion THB)



3

Number of shareholders received benefits

(Unit: '000 shareholders)



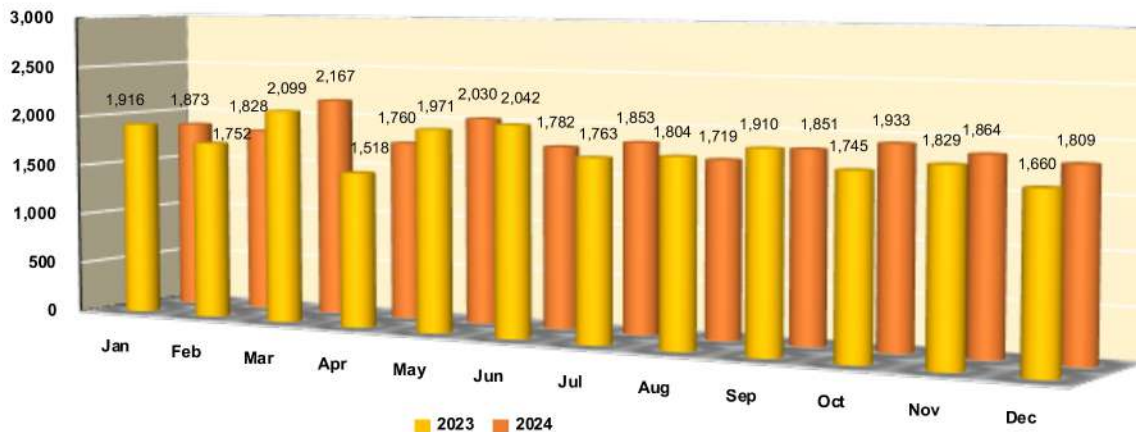
4 Total Dividend and Interest Payment

(Unit: million THB)



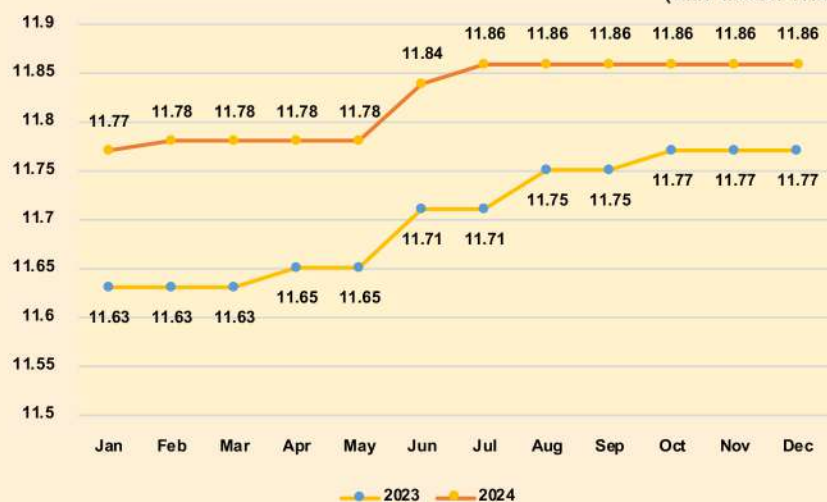
5 Number of investors at TSD Counter Service

(Unit: person)



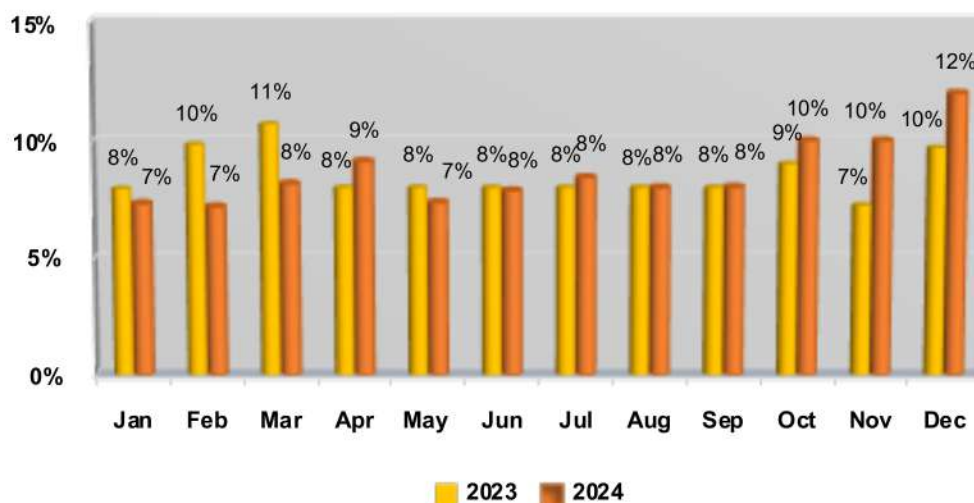
6 Total Share Value under "Pan Hoon Aom Boon"* project

(Unit: Million THB)



*Pan Hoon Aom Boon is share donation project

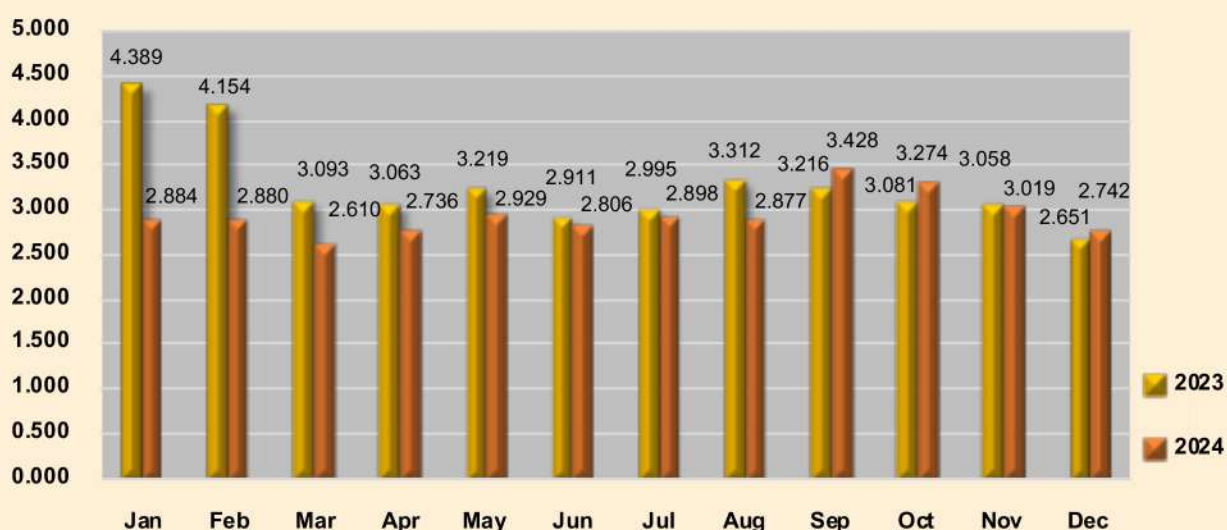
1 Settlement rate of Securities Market



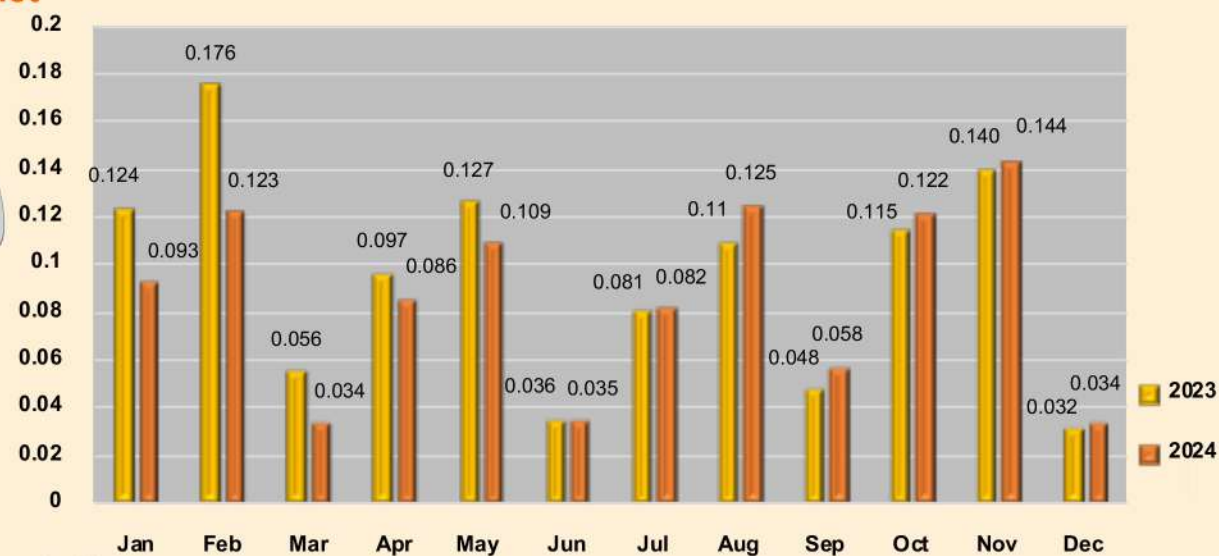
Open Interest of Derivatives Market

2

Futures Contract (million)



Options Contract (million)





3

Guarantee fund & Reserve fund of Securities and Derivatives Market

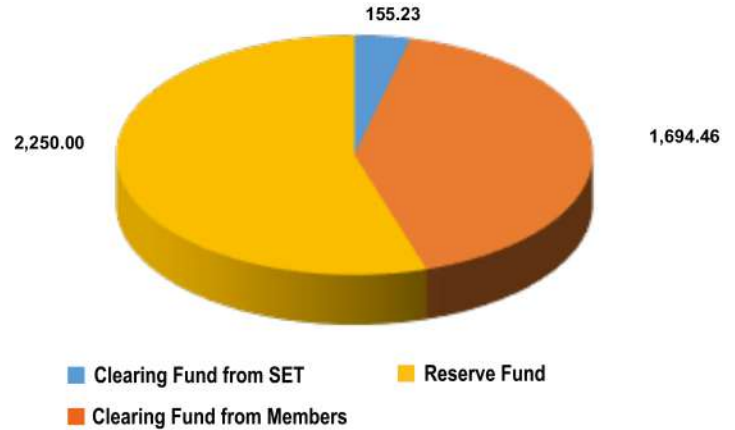
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(Unit : million THB)

Securities Market



Derivatives Market



Total Maintenance Margin Requirement (House and Client Account)

4

(Unit: Million THB)

