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## APPENDIX

APPENDIX A

SPOT AND ONE MONTH FORWARD EXCHANGE RATE

THAI BAHT PER US. DOLLAR

NO	DATE	SPOT RATE	FORWARD RATE
1	2/7/97	29.00	28.04
2	3/7/97	29.25	28.76
3	4/7/97	29.25	29.05
4	7/7/97	28.65	29.11
5	8/7/97	29.00	29.34
6	9/7/97	29.00	29.26
7	10/7/97	28.93	29.52
8	11/7/97	29.95	30.47
9	14/7/97	30.25	30.28
10	15/7/97	29.90	30.27
11	16/7/97	29.80	30.35
12	17/7/97	30.05	30.51
13	18/7/97	30.75	30.75
14	21/7/97	30.45	30.75
15	22/7/97	30.80	31.22
16	23/7/97	31.25	32.60
17	24/7/97	31.75	32.24
18	25/7/97	31.40	32.27
19	28/7/97	31.75	32.11
20	29/7/97	31.15	31.77
21	30/7/97	31.65	32.16
22	31/7/97	31.85	32.03

NO	DATE	SPOT RATE	FORWARD RATE
23	1/8/97	32.15	32.16
24	4/8/97	31.65	31.86
25	5/8/97	31.35	31.99
26	6/8/97	30.95	31.71
27	7/8/97	30.90	31.11
28	8/8/97	30.75	31.44
29	11/8/97	31.20	31.54
30	12/8/97	31.45	31.54
31	13/8/97	31.35	31.64
32	14/8/97	31.55	31.70
33	15/8/97	32.00	31.91
34	18/8/97	32.55	32.25
35	19/8/97	32.65	32.91
36	20/8/97	32.30	32.80
37	21/8/97	32.85	32.90
38	22/8/97	33.65	34.08
39	25/8/97	33.70	34.36
40	26/8/97	33.55	34.27
41	27/8/97	33.90	34.36
42	28/8/97	34.20	34.36
43	29/8/97	34.15	34.54
44	1/9/97	34.15	34.90
45	2/9/97	34.50	35.55
46	3/9/97	35.65	38.08
47	4/9/97	36.05	38.17
48	5/9/97	35.20	37.45
49	8/9/97	34.17	36.47
50	9/9/97	33.52	35.75
51	10/9/97	34.15	35.83

NO	DATE	SPOT RATE	FORWARD RATE
52	11/9/97	34.90	35.80
53	12/9/97	35.20	36.58
54	15/9/97	35.30	36.83
55	16/9/97	35.55	36.95
56	17/9/97	35.90	37.55
57	18/9/97	35.55	37.19
58	19/9/97	35.80	37.30
59	22/9/97	36.50	37.63
60	23/9/97	35.30	37.21
61	24/9/97	35.10	36.53
62	25/9/97	34.70	36.08
63	26/9/97	34.90	35.94
64	29/9/97	35.65	36.22
65	30/9/97	35.85	36.51
66	1/10/97	35.92	36.76
67	2/10/97	35.60	36.44
68	3/10/97	35.75	36.56
69	6/10/97	37.00	36.83
70	7/10/97	35.85	36.69
71	8/10/97	35.75	36.67
72	9/10/97	35.75	36.69
73	10/10/97	35.75	36.37
74	13/10/97	35.90	37.41
75	14/10/97	36.15	36.60
76	15/10/97	37.00	36.63
77	16/10/97	37.10	36.82
78	17/10/97	37.30	36.94
79	20/10/97	38.05	37.86
80	21/10/97	37.10	38.69



NO	DATE	SPOT RATE	FORWARD RATE
81	22/10/97	39.00	38.23
82	23/10/97	38.00	38.23
83	24/10/97	38.60	38.61
84	27/10/97	38.90	38.63
85	28/10/97	39.10	39.41
86	29/10/97	39.25	39.52
87	30/10/97	39.80	40.20
88	31/10/97	40.30	41.30
89	3/11/97	39.20	41.13
90	4/11/97	38.85	38.80
91	5/11/97	39.05	39.20
92	6/11/97	39.35	39.01
93	7/11/97	38.25	38.19
94	10/11/97	37.45	37.47
95	11/11/97	37.75	38.25
96	12/11/97	38.05	38.88
97	13/11/97	38.15	38.94
98	14/11/97	38.35	39.12
99	17/11/97	38.70	39.45
100	18/11/97	39.25	40.05
101	19/11/97	39.90	40.16
102	20/11/97	39.60	40.12
103	21/11/97	38.85	39.92
104	24/11/97	39.10	39.86
105	25/11/97	39.40	40.22
106	26/11/97	39.55	40.13
107	27/11/97	39.55	40.13
108	28/11/97	40.75	40.55
109	1/12/97	41.25	41.20

NO	DATE	SPOT RATE	FORWARD RATE
110	2/12/97	41.35	42.06
111	3/12/97	42.35	42.87
112	4/12/97	41.60	42.05
113	5/12/97	41.30	42.05
114	8/12/97	41.45	42.09
115	9/12/97	42.55	42.61
116	10/12/97	42.00	42.61
117	11/12/97	43.25	43.87
118	12/12/97	45.15	45.35
119	15/12/97	46.75	48.19
120	16/12/97	46.75	48.80
121	17/12/97	45.00	47.40
122	18/12/97	44.15	45.55
123	19/12/97	44.85	46.55
124	22/12/97	44.75	47.42
125	23/12/97	45.55	48.15
126	24/12/97	45.75	47.65
127	25/12/97	45.75	47.65
128	26/12/97	45.55	47.66
129	29/12/97	45.85	47.05
130	30/12/97	46.95	47.50
131	31/12/97	48.15	48.55
132	1/1/98	48.15	48.55
133	2/1/98	48.15	48.57
134	5/1/98	51.00	50.38
135	6/1/98	53.15	52.80
136	7/1/98	52.65	53.38
137	8/1/98	54.05	53.84
138	9/1/98	53.55	54.64

NO	DATE	SPOT RATE	FORWARD RATE
139	12/1/98	56.10	57.60
140	13/1/98	53.65	56.22
141	14/1/98	50.50	53.60
142	15/1/98	51.25	53.72
143	16/1/98	51.75	53.34
144	19/1/98	52.55	53.42
145	20/1/98	51.90	53.55
146	21/1/98	52.45	53.97
147	22/1/98	53.55	54.50
148	23/1/98	54.00	55.40
149	26/1/98	53.88	55.25
150	27/1/98	53.50	55.24
151	28/1/98	53.75	55.30
152	29/1/98	53.75	55.55
153	30/1/98	52.85	53.19
154	2/2/98	50.85	51.27
155	3/2/98	47.95	48.45
156	4/2/98	48.75	50.50
157	5/2/98	48.45	49.15
158	6/2/98	48.05	48.33
159	9/2/98	47.60	48.15
160	10/2/98	44.95	45.55
161	11/2/98	43.55	43.90
162	12/2/98	45.65	45.25
163	13/2/98	46.15	46.78
164	16/2/98	46.15	47.95
165	17/2/98	46.05	46.36
166	18/2/98	45.65	46.00
167	19/2/98	44.15	44.38

NO	DATE	SPOT RATE	FORWARD RATE
168	20/2/98	44.55	44.90
169	23/2/98	44.65	45.03

APPENDIX B

FORWARD ( $F_t$ ) AND FUTURE SPOT RATE ( $S_{t+1}$ ) IN LOG FORM

THAI BAHT PER US. DOLLAR

NO	DATE	$F_t$	DATE	$S_{t+1}$
1	4/7/97	1.46	4/8/97	1.50
2	7/7/97	1.46	7/8/97	1.49
3	8/7/97	1.47	8/8/97	1.49
4	11/7/97	1.48	11/8/97	1.49
5	14/7/97	1.48	14/8/97	1.50
6	15/7/97	1.48	15/8/97	1.51
7	18/7/97	1.49	18/8/97	1.51
8	21/7/97	1.49	21/8/97	1.52
9	22/7/97	1.49	22/8/97	1.53
10	25/7/97	1.51	25/8/97	1.53
11	28/7/97	1.51	28/8/97	1.53
12	29/7/97	1.50	29/8/97	1.53
13	1/8/97	1.51	1/9/97	1.53
14	4/8/97	1.50	4/9/97	1.56
15	5/8/97	1.51	5/9/97	1.55
16	8/8/97	1.50	8/9/97	1.53
17	11/8/97	1.50	11/9/97	1.54
18	12/8/97	1.50	12/9/97	1.55
19	15/8/97	1.50	15/9/97	1.55
20	18/8/97	1.51	18/9/97	1.55
21	19/8/97	1.52	19/9/97	1.55

NO	DATE	F t	DATE	S t+1
22	22/8/97	1.53	22/9/97	1.56
23	25/8/97	1.54	25/9/97	1.54
24	26/8/97	1.53	26/9/97	1.54
25	29/8/97	1.54	29/9/97	1.55
26	1/9/97	1.54	1/10/97	1.56
27	2/9/97	1.55	2/10/97	1.55
28	3/9/97	1.58	3/10/97	1.55
29	8/9/97	1.56	8/10/97	1.55
30	9/9/97	1.55	9/10/97	1.55
31	10/9/97	1.55	10/10/97	1.55
32	15/9/97	1.57	15/10/97	1.57
33	16/9/97	1.57	16/10/97	1.57
34	17/9/97	1.57	17/10/97	1.57
35	22/9/97	1.58	22/10/97	1.59
36	23/9/97	1.57	23/10/97	1.58
37	24/9/97	1.56	24/10/97	1.59
38	29/9/97	1.56	29/10/97	1.59
39	30/9/97	1.56	30/10/97	1.60
40	3/10/97	1.56	3/11/97	1.59
41	6/10/97	1.57	6/11/97	1.59
42	7/10/97	1.56	7/11/97	1.58
43	10/10/97	1.56	10/11/97	1.57
44	13/10/97	1.57	13/11/97	1.58
45	14/10/97	1.56	14/11/97	1.58
46	17/10/97	1.57	17/11/97	1.59
47	20/10/97	1.58	20/11/97	1.60
48	21/10/97	1.59	21/11/97	1.59
49	24/10/97	1.59	24/11/97	1.59
50	27/10/97	1.59	27/11/97	1.60

NO	DATE	F t	DATE	S t+1
51	28/10/97	1.60	28/11/97	1.61
52	3/11/97	1.61	3/12/97	1.63
53	4/11/97	1.59	4/12/97	1.62
54	5/11/97	1.59	5/12/97	1.62
55	10/11/97	1.57	10/12/97	1.62
56	11/11/97	1.58	11/12/97	1.64
57	12/11/97	1.59	12/12/97	1.65
58	17/11/97	1.60	17/12/97	1.65
59	18/11/97	1.60	18/12/97	1.64
60	19/11/97	1.60	19/12/97	1.65
61	24/11/97	1.60	24/12/97	1.66
62	25/11/97	1.60	25/12/97	1.66
63	26/11/97	1.60	26/12/97	1.66
64	1/12/97	1.61	1/1/98	1.68
65	2/12/97	1.62	2/1/98	1.68
66	5/12/97	1.62	5/1/98	1.71
67	8/12/97	1.62	8/1/98	1.73
68	9/12/97	1.63	9/1/98	1.73
69	12/12/97	1.66	12/1/98	1.75
70	15/12/97	1.68	15/1/98	1.71
71	16/12/97	1.69	16/1/98	1.71
72	19/12/97	1.67	19/1/98	1.72
73	22/12/97	1.68	22/1/98	1.73
74	23/12/97	1.68	23/1/98	1.73
75	26/12/97	1.68	26/1/98	1.73
76	29/12/97	1.67	29/1/98	1.73
77	30/12/97	1.68	30/1/98	1.72
78	2/1/98	1.69	2/2/98	1.71
79	5/1/98	1.70	5/2/98	1.69

NO	DATE	F t	DATE	S t+1
80	6/1/98	1.72	6/2/98	1.68
81	9/1/98	1.74	9/2/98	1.68
82	12/1/98	1.76	12/2/98	1.66
83	13/1/98	1.75	13/2/98	1.66
84	16/1/98	1.73	16/2/98	1.66
85	19/1/98	1.73	19/2/98	1.64
86	20/1/98	1.73	20/2/98	1.65
87	23/1/98	1.74	23/2/98	1.65



APPENDIX C

SPOT RATE (LS t+1) AND EXPECTED SPOT RATE( $E_t S_{t+1}$ ) IN LOG FORM

THAI BAHT PER US. DOLLAR

NO	DATE	LS t+1	DATE	$E_t S_{t+1}$
1	4/8/97	1.50	4/7/97	NA
2	7/8/97	1.49	7/7/97	1.50
3	8/8/97	1.49	8/7/97	1.49
4	11/8/97	1.49	11/7/97	1.49
5	14/8/97	1.50	14/7/97	1.49
6	15/8/97	1.51	15/7/97	1.50
7	18/8/97	1.51	18/7/97	1.51
8	21/8/97	1.52	21/7/97	1.51
9	22/8/97	1.53	22/7/97	1.52
10	25/8/97	1.53	25/7/97	1.53
11	28/8/97	1.53	28/7/97	1.53
12	29/8/97	1.53	29/7/97	1.53
13	1/9/97	1.53	1/8/97	1.53
14	4/9/97	1.56	4/8/97	1.53
15	5/9/97	1.55	5/8/97	1.56
16	8/9/97	1.53	8/8/97	1.55
17	11/9/97	1.54	11/8/97	1.53
18	12/9/97	1.55	12/8/97	1.54
19	15/9/97	1.55	15/8/97	1.55
20	18/9/97	1.55	18/8/97	1.55
21	19/9/97	1.55	19/8/97	1.55

NO	DATE	LS t+1	DATE	$E_t S_{t-1}$
22	22/9/97	1.56	22/8/97	1.55
23	25/9/97	1.54	25/8/97	1.56
24	26/9/97	1.54	26/8/97	1.54
25	29/9/97	1.55	29/8/97	1.54
26	1/10/97	1.56	1/9/97	1.55
27	2/10/97	1.55	2/9/97	1.56
28	3/10/97	1.55	3/9/97	1.55
29	8/10/97	1.55	8/9/97	1.55
30	9/10/97	1.55	9/9/97	1.55
31	10/10/97	1.55	10/9/97	1.55
32	15/10/97	1.57	15/9/97	1.55
33	16/10/97	1.57	16/9/97	1.57
34	17/10/97	1.57	17/9/97	1.57
35	22/10/97	1.59	22/9/97	1.57
36	23/10/97	1.58	23/9/97	1.59
37	24/10/97	1.59	24/9/97	1.58
38	29/10/97	1.59	29/9/97	1.59
39	30/10/97	1.60	30/9/97	1.59
40	3/11/97	1.59	3/10/97	1.60
41	6/11/97	1.59	6/10/97	1.59
42	7/11/97	1.58	7/10/97	1.59
43	10/11/97	1.57	10/10/97	1.58
44	13/11/97	1.58	13/10/97	1.57
45	14/11/97	1.58	14/10/97	1.58
46	17/11/97	1.59	17/10/97	1.58
47	20/11/97	1.60	20/10/97	1.59
48	21/11/97	1.59	21/10/97	1.60
49	24/11/97	1.59	24/10/97	1.59
50	27/11/97	1.60	27/10/97	1.59

NO	DATE	LS t+1	DATE	$E_{t,t+1}$
51	28/11/97	1.61	28/10/97	1.60
52	3/12/97	1.63	3/11/97	1.61
53	4/12/97	1.62	4/11/97	1.63
54	5/12/97	1.62	5/11/97	1.62
55	10/12/97	1.62	10/11/97	16.2
56	11/12/97	1.64	11/11/97	1.62
57	12/12/97	1.65	12/11/97	1.64
58	17/12/97	1.65	17/11/97	1.65
59	18/12/97	1.64	18/11/97	1.65
60	19/12/97	1.65	19/11/97	1.64
61	24/12/97	1.66	24/11/97	1.65
62	25/12/97	1.66	25/11/97	1.66
63	26/12/97	1.66	26/11/97	1.66
64	1/1/98	1.68	1/12/97	1.66
65	2/1/98	1.68	2/12/97	1.68
66	5/1/98	1.71	5/12/97	1.68
67	8/1/98	1.73	8/12/97	1.71
68	9/1/98	1.73	9/12/97	1.73
69	12/1/98	1.75	12/12/97	1.73
70	15/1/98	1.71	15/12/97	1.75
71	16/1/98	1.71	16/12/97	1.71
72	19/1/98	1.72	19/12/97	1.71
73	22/1/98	1.73	22/12/97	1.72
74	23/1/98	1.73	23/12/97	1.73
75	26/1/98	1.73	26/12/97	1.73
76	29/1/98	1.73	29/12/97	1.73
77	30/1/98	1.72	30/12/97	1.73
78	2/2/98	1.71	2/1/98	1.72
79	5/2/98	1.69	5/1/98	1.71

NO	DATE	LS t+1	DATE	$E_{t,t+1}$
80	6/2/98	1.68	6/1/98	1.69
81	9/2/98	1.68	9/1/98	1.68
82	12/2/98	1.66	12/1/98	1.68
83	13/2/98	1.66	13/1/98	1.66
84	16/2/98	1.66	16/1/98	1.66
85	19/2/98	1.64	19/1/98	1.66
86	20/2/98	1.65	20/1/98	1.64
87	23/2/98	1.65	23/1/98	1.65

## APPENDIX. D

### LIBERALIZATION IN THAILAND

Thailand has officially accepted article VIII of the IMF agreements on May 24, 1990. The 3 main principles in Article VIII are as follows;

1. There must be no limitation in foreign exchange for paying for goods and services.
2. There must not have multiple exchange rates and must be a National Treatment.
3. There must have no limitation in exchange the host country's currency.

#### The Deregulation in the Foreign Exchange

##### 1. The First Step

After official acceptance of article VIII of the IMF agreements. The Bank of Thailand has deregulated the first exchange rate control, effective on May 22, 1990, in order to increase the efficiency of the financial and the payment system. This will increase the competitive ability of financial institutions in Thailand, and is in preparation for change in the world economic and financial system which has more liberalized capital flow, it also prepares the development of Thailand to be the financial center of the region

Through this deregulation commercial bank in Thailand are able to authorize requests for foreign currencies for trading, transferring, paying unregistered foreign debts, returns from selling of stocks or close down of business and deposit and cash of the Baht accounts of non-residents.

Commercial banks are able to give authorization for these requests of behalf of the Bank of Thailand. This include authorization for request to

buy foreign currencies in bigger amount of foreign currencies which result in more efficiency in financial and payment system.

## 2. The Second Step

The Bank of Thailand had deregulated in the second step on April 1, 1991 which is the important step of exchanging system. Although there are more comfortable in exchanging foreign currencies, but there are still some regulations for controlling and stabilizing the economic. From this step, it will lead Thai and foreign investors to rely on Thai economic. They can freely buy and sell foreign exchange currencies which dealing with international trade and service except buying properties and securities in abroad.

## 3. The Second Step Extension

In this period, the Bank of Thailand's role is giving convenience in practice. The extension announcement was on May 1, 1992. This announcement will expand the commercial bank's international role.

## 4. The Third Step

The Bank of Thailand has announced the financial deregulation which has had effect on January 10, 1993.

The government has a long-term plan by making Bangkok the center of Bangkok International Banking Facility (BIBF) in order to gather and organize capitals in foreign currencies. Exchange rate changes are a major sources of uncertainty in international business. In the world of global investment and trade, the magnitude of fluctuations in currency values can overwhelm other determinants of companies' profits. This chapter begins with the basic institutional elements of the foreign exchange markets and then focus on the nature of foreign exchange market in Thailand.



## APPENDIX. E

### EXCHANGE REGULATIONS IN THAILAND<sup>50</sup>

#### 1. Exchange Regulations<sup>51</sup>

##### 1.1 Rules and Regulation

The legal basis for exchange restriction in Thailand is derived from the Exchange Control Act (B.E. 2485) and the Ministerial Regulation No.13 (B.E. 2485). These laws set out the principles of controls under which Notifications and Notices that prescribe the detailed procedures were issued.

##### 1.2 Administration

The Bank of Thailand has been entrusted by the Ministry of Finance with the responsibility of administration of foreign exchange. All foreign exchange transactions are to be conducted through authorized banks. Authorized persons (money changers) only engage in the purchase of foreign notes and travellers' cheques and the selling of foreign notes.

##### 1.3 Prescription of Currency

There are no special requirement concerning the currency to be used for financial settlements with foreign countries, but payments are generally made in the U.S. Dollars.

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<sup>50</sup> Foreign Exchange Department, Bank of Thailand, Exchange Regulations in Thailand a Guide to the General Public".

<sup>51</sup> Effective as from April 1, 1991

The following currency can be deposited into the foreign currency account ;

1. foreign currency borrowing by residents from the Bangkok International Banking Facilities
2. foreign currency borrowing by nonresidents from authorized banks
3. foreign currency resulting from conversion of baht withdrawn from nonresidents baht accounts for depositing into nonresidents' foreign currency accounts.

Foreign currency to be deposited into the foreign currency account must originate from abroad and the depositor must submit the documents that show the obligations to pay in foreign currency to persons in foreign countries or authorized banks or the Export and Import Bank of Thailand or the Industrial Finance Corporation of Thailand within 3 months from the date of deposit. The deposit amount must not exceed the amount of the above obligations.<sup>52</sup>

Nonresidents may freely open and maintain foreign currency accounts with authorized banks in Thailand. No restrictions are placed on the opening of the accounts as long as the funds originating from abroad. Balances on such accounts may be transferred without formality.

### **3.2 Nonresident Baht Account**

Nonresidents may open such accounts with any authorized banks in Thailand. They may be freely credited with baht as proceeds from sale of foreign currencies withdrawn from nonresidents' foreign currency accounts and baht borrowing from authorized banks. No restriction is imposed on drawing funds from the accounts including conversion into foreign currencies for remittance abroad.

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<sup>52</sup> With effect from September 23, 1997.



## **4. Trade**

### **4.1 Exports**

There are no exchange restrictions relating to exports but proceeds from exports with value exceeding Baht 500,000 must be brought into country immediately after payment is received and within 120 days from the date of export<sup>53</sup>. And must be surrendered to an authorized bank or deposited in a foreign currency account with an authorized bank in Thailand within 7 days from the dated of receipt.

### **4.2 imports**

Importers may freely purchase or draw foreign exchange from their own foreign currency accounts for import payments. Letter of credit may also be opened without authorization.

### **4.3 Transactions on Invisibles**

All receipts from invisibles must be surrendered to an authorized bank or deposited in a foreign currency account with an authorized bank in Thailand within 7 days from the date of receipt.

Payments for invisibles such as service fees related to foreign trade, educational expense or family allowances abroad can be made freely. For traveling expenses abroad, a person can take out travelling expenses in any form without limit.

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<sup>53</sup> With effect from January 7, 1998.

## **5. Foreign Tourists**

There is no restriction on the amount of foreign exchange and Thai currency that may be brought into the country.

Foreign visitors or persons in transit may freely take out of the country all foreign exchange which they had brought in without limit. However, they may not take out Thai currency exceeding Baht 50,000 per person except for trips to Thailand's bordering countries where an amount of up to Baht 500,000 per person is allowed.

Foreign currencies may be exchanged at any authorized banks, currency exchange services (operated by authorized banks) or authorized money changers. Banking hours are from 8.30 a.m. to 3.30 p.m. Monday to Friday except bank holidays. Currency exchange services open from 8.30 a.m. to 10.00 p.m. daily, while some authorized money changers open daily from 10.00 a.m. to 5 p.m. and beyond. Most 24 hour-service can be found in hotels.

Credit cards are acceptable in major establishments in Thailand and may be used to obtain local currency at pre-arranged authorized banks or currency exchange services as well as at some automated teller machines.

## **6. Foreign Investments**

Foreign investments in Thailand, both direct and portfolio investments, and offshore loans are freely permitted. Capital and loan may be transferred into the country without restriction but foreign exchange inflows must be surrendered to an authorized bank or deposited in a foreign currency account with an authorized bank in Thailand within 7 days from the dated of receipt. Foreign investments in Thailand which received promotional privileges from the Board of Investment are accorded various incentives and special benefits.

Repatriation of investment funds, dividends and profits as well as loan repayments and interest payments thereon, after settlements of all applicable taxes in Thailand, may be made freely.

Securities, promissory notes and bills of exchange may be sent abroad without restriction.

### 7. Capital Transfers by Residents

Direct foreign investments by residents or lending to their affiliated companies abroad for amount not exceeding US\$ 10 Million per year do not require prior authorization, Remittances to Thai emigrants with permits of permanent residence abroad are allowed up to US\$ 1 Million a person yearly provided that funds are derived from the emigrants' personal assets.

Remittances of funds abroad between relatives are also allowed up to US\$ 100,000 a person yearly. Any amounts in excess of these limits, permission must be obtained from the Bank of Thailand. The purchase of immovable assets or securities abroad also requires prior approval from the Bank of Thailand.

### 8. Regulations to alleviate the problem of foreign exchange shortages<sup>54</sup>

8.1 Foreign exchange earners shall deposit into the foreign currency account only when they have to make payments in foreign currencies to persons outside the countries in less than 3 months from the date of deposit. However, total outstanding of all accounts shall not be more than US\$ 500,000 for ordinary persons and US\$ 5 million for juristic persons.

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<sup>54</sup> Bank of Thailand, Quarterly Bulletin, September 1997

8.2 Buyers of foreign currencies for travelling purposes are prescribed to show both passports and air or transportation tickets. In addition, authorized banks must report on total selling of foreign currencies to the Competent Officer at end of each working day and within 3 days from the date of the selling of foreign currencies.

8.3 Exporters receiving financial assistance from the Bank of Thailand through the Export and Import Bank of Thailand have to sell forward foreign currency receipts to commercial banks who issued promissory notes. The forward contract must state the amount of foreign currencies in equivalent to the baht which should not be below 50 percent



## BIOGRAPHY

Napatsorn Nachiangmai was born on August 12, 1972 in Chiangmai. She received bachelor Degree major in Accounting and minor in English from Chiangmai University in the year 1994. She continued her study in International Economics and Finance, Economic Faculty, Chulalongkorn University and MBA., Faculty of Business Administration, Chiangmai University in 1996.