

(UNOFFICIAL TRANSLATION)

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No. PorKor. (Wor) 6 / 2020

13 April 2020

Re: New Regulations for Market Disruption and the Amendment of Circuit Breaker Rules

To: Managing Directors  
All Member Companies and Non-Member Securities Companies

As the COVID-19 pandemic has resulted in the unusual market conditions and severe market volatilities resulting in the trigger of circuit breakers in many stock exchanges worldwide, the Stock Exchange of Thailand (SET) deems it appropriate and imperative to impose measures to handle the probable market disruption event, as a means to ensure flexibility and punctuality in response to any situations.

With the Pre-Approval of the Securities and Exchange Commission (SEC), SET can now implement temporary rules to cope with market disruptions that will or may affect securities trading or normal operations of the Exchange through the decision of the SET's Board of Governors that may impose measures along with specifying effective durations on a temporary basis if any of the stated emergency situations occur to remedy such market disruptions.

In addition, SET has revised the circuit breaker rules that will be changed permanently to provide more opportunities for investors to analyze information for investment decision, and align with international practices.

The details of such Rules are as follows:

1. Regulations for market disruption

- (1) An incident that affects securities trading or normal operations of the Exchange including
  - (1.1) Force majeure affecting securities trading or normal operations of the Exchange that are beyond the control of the Exchange, such as natural disasters, or catastrophes.
  - (1.2) Circuit breaker activation due to change of SET Index in a certain limit, but the market condition remains highly volatile.
  - (1.3) Any action of government agencies or other organizations that may affect securities trading or normal operations of the Exchange

(1.3)...

- (2) The SET's Board of Governors may exercise its powers on such terms as it considers necessary which includes one or more of the followings:
- (2.1) Revise rules on daily price limits of each or all securities.
  - (2.2) Revise short selling price rules, or prohibit or restrict short selling activities of each or all securities.
  - (2.3) Revise trading methodology of each or all securities to other methods from Automatic Order Matching (AOM).
  - (2.4) Increase collateral margin rate for cash or margin accounts.
  - (2.5) Revise conditions for the use of program trading, or prohibit the use of program trading.

2. Circuit Breaker: change trigger level from 2 levels to 3 levels as follows:

Circuit Breaker	Current		New	
	SET Index	Trading Halt	SET Index	Trading Halt
Level 1	-10%	30 minutes	-8%	30 minutes
Level 2	-20%	60 minutes	-15%	30 minutes
Level 3	-	-	-20%	60 minutes

**These rules and regulations will come into effect from 15 April 2020 onwards.**

Please be informed accordingly. Any inquiries, please contact the Securities Trading Department at +662 009 9324-28.

Yours sincerely,

-signature-

(Mr. Pakorn Peetathawatchai)

President

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