



New depositary receipts launched in Thai-Singapore venture

The Depositary Receipt (DR) is a certificate that can be traded and is open to negotiation. It symbolizes ownership in a foreign company that is listed on a domestic stock exchange, allowing investors to possess shares in a foreign company's equity. It provides investors with an alternative option for trading rather than engaging in international market transactions. Investors will be able to trade DRs via securities companies in their domestic market and local currency.

The Stock Exchange of Thailand (SET) plans to attract foreign investors to Thai listed companies through the collaboration with the Singapore Exchange (SGX) to issue trading DR on

SGX beginning with the top potential listed companies such as Airport of Thailand (AOT), CP ALL (CPALL) and PTT Exploration Production (PTTEP).

Trading of DRs is governed by the regulations of the country where the DRs are officially registered. There are currently more than 10 DRs of the foreign bourses such as China, Hong Kong and Ho Chi Minh listed on the SET, and SET recently launched two DRs for Nasdaq which are Tesla Inc. and Apple Inc to broaden opportunities for buyers. This project will increase investment to Thailand as the volume of DRs trading within first four months of 2023 is up to 31 per cent year-on-year.