

**No. 16 / 2010**

**Monetary Policy Committee's Decision on 21 April 2010**

Mr. Paiboon Kittisrikangwan, Assistant Governor, Bank of Thailand, announces the outcome of the Monetary Policy Committee (MPC) meeting today, as follows.

The Thai economy shows sign of robust growth in the first quarter, driven by continued growth in exports, consumption and investment. The global economic recovery, improved confidence of the private sector, and strong economic fundamentals should provide a foundation for firm economic expansion this year. Nonetheless, the heightened political risk is a key factor clouding the economic outlook at the moment.

Macroeconomic stability remains favourable. Core inflation is low at present, but projected to rise in the periods ahead in line with economic expansion and increase in the costs of raw materials. External balances are strong, while the risk to financial stability is low.

The MPC views the heightened political risk as a key factor affecting confidence, tourism, private consumption and investment. The MPC will closely monitor its impact on the economy, and has therefore decided to maintain the policy interest rate at 1.25 per cent for the time being.

Bank of Thailand  
21 April 2010

For further information, please contact:  
Monetary Policy Strategy Team 1 Tel: +66 (0) 2283 5621, 283 6186  
e-mail: MonetaryPolicyStrategyTeam@bot.or.th