

**No. 38 / 2009**

**Monetary Policy Committee's Decision on 26 August 2009**

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

The latest data indicate that global economic and financial conditions have improved somewhat since the last MPC meeting. In the second quarter, GDP growth of major industrialized and most Asian economies has improved over the previous quarter. Nevertheless, the MPC views that there is still a high degree of uncertainty about the sustainability of global economic recovery.

In the second quarter, Thailand's economic condition has shown a more positive sign. GDP has contracted at a smaller pace compared to the same period last year but has expanded from the previous quarter. Latest economic indicators, such as manufacturing production, exports, employment and private consumption have also shown continued improvement. The MPC assesses that the current level of policy interest rate is appropriate and supportive of the economic recovery without generating any inflationary pressure.

Thus, the MPC decided to maintain the policy interest rate at 1.25 per cent per annum.

Bank of Thailand  
26 August 2009

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