



BANK OF THAILAND NEWS

Communications and Relations Office, Management Assistance Department
Tel. 0-2283-5016-7 FAX 0-2281-5648 www.bot.or.th

No. 8/2001

Bank of Thailand's clarification on Luangta Mahabua's donation

The Bank of Thailand (BOT) recently made the following clarification regarding Luangta Mahabua's donation after BOT has received an official ruling from the Juridical Council.

BOT Director of the Public Communications Office and deputy spokesman, Mr. Oubaur Kruthanooch announced on January 15 that: "The Juridical Council has ruled that BOT, by virtue of the laws, cannot return the donated money and gold back to senior monk Luangta Mahabua; this is because the BOT has met the objective, set forth by Luangta Mahabua, of depositing the donation in the official reserve, hence the donation has become property of the state."

The senior monk earlier had sent a letter to BOT demanding the return of all the money and gold given to BOT. The central bank then sought a legal ruling from the Juridical Council.

Mr. Oubaur reiterated that "BOT as the central bank charged with overseeing the national reserve will continue to best safeguard the donation as the national reserve based on international standard."

Reacting to criticism that the BOT has invested the donated money in US government bond, the BOT deputy spokesman clarified that it is the central bank's normal practice to either deposit or invest in the most stable security. In the case of the donated US dollars, BOT has deposited the amount at the US Federal Reserve Bank which has managed the sum efficiently - the Fed has invested the sum in short-term US government bond which is very secure and gives good yield.

Bank of Thailand

15 January 2001