



# BANK OF THAILAND NEWS

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**No. 49/2007**

## **Monetary Policy Committee's Decision on 10 October 2007**

Ms. Suchada Kirakul, Assistant Governor of the Monetary Policy Group, Bank of Thailand, announces that the Monetary Policy Committee (MPC) met today to assess the latest economic developments and trends in order to determine the appropriate monetary policy stance. The main issues discussed were as follows.

Recent economic data showed signs of improvement in domestic demand, both consumption and investment. Exports continued to expand well despite lower growth in the latter half of the year. The direct impact of the problems in the US subprime market on the Thai economy had so far been limited. Nonetheless, these problems were likely to be protracted and should be monitored closely.

Inflation remained low. Going forward, there were increased risks of upward price pressure compared to the previous meeting due to higher oil prices and the likelihood of price increases for certain essential goods and services.

The MPC assessed that the growth outlook was comparable to the previous meeting while risks to inflation increased slightly. However, core inflation was expected to remain within the target range for the next 8 quarters. The MPC therefore decided to keep the 1-day repurchase rate at 3.25 per cent per annum.

Bank of Thailand  
10 October 2007

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