



# **BANK OF THAILAND NEWS**

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## **Monetary Policy Committee's Decision on 8 April 2009**

Ms. Duangmanee Vongpradhip, 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.

The global financial crisis continued to result in a marked contraction of both the major and regional economies. In addition, the severity and duration of the crisis remained highly uncertain, which would affect the Thai economy through a contraction of exports, while private domestic demand remained weak. However, public spending, through the government's fiscal stimulus measures would help compensate for the softening in private demand to some extent.

The MPC assessed that, going forward, risks to growth remained. Headline and core inflation continued on a declining trend, allowing monetary policy to be eased further to support the economy and stimulate the recovery going forward.

The MPC therefore decided to lower the policy interest rate by 0.25 per cent per annum, from 1.50 per cent per annum to 1.25 per cent per annum, effective immediately.

Bank of Thailand

8 April 2009

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