



Forecast Summary as of December 2016

	2015*	2016	2017
GDP Growth	2.8	3.2	3.2
		(3.2)	(3.2)
Headline Inflation	-0.9	0.2	1.5
		(0.3)	(2.0)
Core Inflation	1.1	0.7	0.8
		(0.8)	(1.0)
* Outturn			
() Monetary Policy Report, September 2016			

- Thailand's overall economic growth in 2016 is expected to expand at a similar rate as previously expected. Private consumption and merchandise exports that perform better than expected from Q3/16 data, along with additional government measures help offset weaker-than-expected private investment and exports of services.
- Headline inflation is expected to gradually increase and return to the target band in Q1/17, but overall level is revised down slightly.
- Risks to growth and inflation forecasts increase and skew more downward, with major factors being global economic recovery path, increased uncertainty regarding US trade policies, and the number of Chinese tourists that might be lower than expected.



Forecasts in *Monetary Policy Report* as of December 2016

%YoY	2016		2017	
	Sep 16	Dec 16	Sep 16	Dec 16
GDP Growth	3.2	3.2	3.2	3.2
- Private Consumption	2.7	3.1	2.1	2.6
- Private Investment	1.1	-0.6	1.7	1.6
- Government Consumption	3.5	1.1	2.8	3.2
- Public Investment	9.7	9.3	7.5	11.9
- Exports of Goods and Services	1.7	1.9	1.0	0.6
- Imports of Goods and Services	-2.7	-2.3	2.2	2.4
Current Account (Billion USD)	40.4	42.2	31.8	26.9
- Value of Merchandise Exports	-2.5	-0.6	-0.5	0.0
- Value of Merchandise Imports	-6.6	-5.0	5.6	7.8
Growth of Trading Partners	2.9	3.0	3.1	3.1
Dubai Oil Price (USD/Barrel)	41.0	41.4	50.0	53.5
Number of Tourists (Million)	33.6	32.4	36.3	34.1

- **Private consumption growth** is revised up due to a good outturn in Q3/16, increased farm income, and government's short-term stimulus measures.
- **Private investment** remains low, with growth limited to some industries.
- **Government spending** remains an important driving force, especially through public investment—especially infrastructure programs—and stimulus measures.
- **Exports of goods** is higher than expected, offsetting **exports of services** that is weakened by a slowdown in the tourism sector.
- **Oil price** is revised up following oil producers' agreements to cut production.