

GDP to contract by about 3% this year

The Fiscal Policy Office at the Ministry of Finance on Thursday afternoon adjusted its gross domestic product growth projection from minus 2-3 per cent to minus 2.5-3.5 per cent, or average minus 3 per cent.

The office projected that the inflation rate for 2009 would stand at minus 0.5 per cent to 0.5 per cent, exports would contract by 19.2-21.2 per cent, imports would shrink by 30.7-32.7 per cent and the trade surplus would be around US\$23.6 billion.

The projections were based on hypothesis that the economy of Thailand's trade partners would contract by 2.1 per cent, the average global oil price would stand at US\$61.2 a barrel, the value of the baht would be 34.70 per US dollar, and the average policy rate would be 1.25 per cent.

Source: Bangkok Post