

Thailand lowers 2013 GDP, export forecast

BANGKOK, May 20 (Xinhua) -- Thailand's Gross Domestic Product (GDP) forecast has been lowered from 4.5-5.5 percent to 4.2-5.2 percent due to its unsatisfactory economic performance in the first quarter, the National Economic and Social Development Board (NESDB) said on Monday. Arkhom Termpittayapaisith, secretary general of NESDB, a government agency under the Office of the Prime Minister, said Q1 economic expansion at 5.3 percent fell far below the 19.1 percent growth of last year's fourth quarter. Meanwhile, Q1 household spending increased by 4.2 percent, a sharp drop from last year's Q4 at 12.4 percent while investment grew by only 6 percent, beaten by last year's Q4 at 22.9 percent, said Arkhom. The Q1 export volume in dollars increased 4.5 percent and in baht increased by only 0.5 percent given the surging Thai currency which has resulted in a 181-billion-baht loss, he said. Arkhom predicted this year's export value to grow at only 7.6 percent, lower from NESDB's earlier forecast of 11 percent. He suggested the "currency war" should be urgently addressed by the Bank of Thailand by cutting the policy interest rate in a bid to stem the unusual inflows of foreign capital and stabilize the baht. The capital inflow in Q1 stood at 4.775 billion U.S. dollars, higher than the annual average value of 2.2 billion, according to the NESDB chief.