

Daily Thai News Updates: 15 March 2017

1. Strategy and reform bills pass cabinet

Source: Bangkok Post ([Link](#))

The cabinet yesterday approved national strategy and national reform bills, which will direct the country's economic and social development over the next 20 years. The bills call for the continuity of developments regardless of changing governments. This includes setting the long-term goals of the country's social and economic development, containing strategies deemed proper to every economic, social and political facet, be it security, quality of life or the role of the government in relation to the public. The national strategy bill is required to be endorsed by parliament and will later be announced in the Royal Gazette. According to Kobsak Phutrakul, assistant minister to the Prime Minister's Office, coming governments are also bound by law to perform administrative duties to uphold the national strategy plan.

2. IMF sees Thai recovery advancing at moderate pace

Source: Bangkok Post ([Link](#))

Thailand's economic recovery is expected to advance at a moderate pace in the near and medium term and it has policy space and ample buffers to minimise the risk of a low-inflation, low-growth trap, the International Monetary Fund (IMF) said on Tuesday. Public investment would remain a key growth driver in line with the government's infrastructure plans, the IMF said in a statement after a staff visit to Southeast Asia's second-largest economy. The outlook is subject to significant uncertainty and downside risks from factors including a bumpy rebalancing in China and a shift in US policy, it said. "While cyclical conditions are improving, Thailand is afflicted by features of the 'new mediocre' facing some advanced economies," it said. "Structural bottlenecks are holding back employment and investment, reinforcing weak expectations of domestic demand."

3. Female Thais top index for advancement opportunities

Source: The Nation ([Link](#))

THAILAND is among the countries with the highest opportunity for women in the workforce, according to the MasterCard Index of Women Entrepreneurs. Women in Thailand have the highest opportunity for advancement in the workforce with an index of 62.7, second only to the Philippines with a 2.8-point difference. The survey ranks 20 countries with the highest scores for female entrepreneurship. Thailand is among the top 10 and is the only upper-middle-income country to make it to the list. The index suggests that women in Thailand are considered to be efficiency-driven, along with women in such countries as China and Malaysia. This could be inferred by the fact that women in Thailand are responsible for a full-time job while holding the role of a mother and/or wife. Overall, developed markets top the index, led by New Zealand (74.4), Canada (72.4) and the United States (69.9).

4. IMF calls for growth through stimulus

Source: Bangkok Post ([Link](#))

The International Monetary Fund (IMF) has recommended that Thai policymakers implement both fiscal and monetary stimuli in order to boost economic growth and steer inflation back to target. The recommendation was made during a visit to Bangkok for Article IV consultations. "The team recommends monetary policy easing together with enhanced communication to improve the balance of risks and steer inflation back on target. Monetary easing, as part of a broader expansionary policy mix, would counteract risks of low inflation becoming entrenched and prevent a further rise in real interest rates and the real debt burden," the IMF team said in its report. Moreover, a faster convergence to that target would allow a quicker exit from the low interest rate environment, strengthening both macroeconomic and financial stability. Enhanced communication of determination to meet the inflationary target would reinforce monetary policy transmission and the effectiveness of policy easing through the expected channel, it said. The team estimates that Thailand's economic growth will reach 3.2% this year, mainly driven by exports of services and public investment. Average headline inflation was 0.2%, below the target band for the second year straight, reflecting low energy prices and persistently weak core inflation.

5. China-S. Korea spat 'could boost Thai tourism'

Source: Bangkok Post ([Link](#))

Thailand's pivotal Chinese tourism sector is on the rise and may get an additional boost due to tensions between China and South Korea and the banning of Chinese tour groups to South Korea this month, the head of a Thai travel group said on Tuesday. Overall tourism accounts for 12% of Southeast Asia's second-largest economy but Chinese tourism, the biggest foreign group, slumped in the final quarter of 2016 after a crackdown on cheap Chinese tour packages. "Chinese tourist numbers have recently increased by 15-20% to about 80% of last year's levels, which is very encouraging," Ronnarong Chewinsiriamnuai, president of the Thai-Chinese Tourism Alliance Association, told Reuters.