

**BREAKING**

## ***BoT hiked rates again***

As expected, BoT raised interest rate by 25 bps for four consecutive times to curb inflation in the face of better economic prospects due to the return of Chinese tourists.

We think this rate hike will be good for bank stocks as deposit and lending rate will widen and inevitably increase profitability. However, on the downside the rate hike will strengthen Thai Baht making exports less attractive and hopefully will not deter tourists especially from China from coming to Thailand.

We think that BoT may take a pause on rate hike as global economic growth is expected to slow considerably and the US economy is currently facing plenty of headwinds.

Source : Bank of Thailand