

## **Thailand's Consumer Confidence At Lowest Since Nov 2001**

**Bernama**

**3 Apr, 2014**

BANGKOK, April 3 (Bernama) -- Thailand's consumer confidence index in March hit its lowest level since November 2001 due to the ongoing political problem which is expected to slow economic growth this year.

Consumer confidence is likely to drop continuously this year with no positive sign of an end to the political mess soon, said Thanavath Phonvichai, director of the University of the Thai Chamber of Commerce's (UTCC) Economic and Business Forecasting Centre.

He said there is a high possibility for the Thai economy this year of flat growth or a contraction in the first quarter.

Spending for durable goods, investment and consumer products have trended down as consumers have less confidence in their future incomes, while businesses have faced lower sales, he added.

The survey on consumer confidence of 2,256 respondents also showed that spending confidence on new cars, new houses, travelling and starting new businesses for small and medium-sized enterprises have dropped to the lowest level in more than two to four years.

In line with expected lower economic growth, the UTC estimated the country's unemployment rate this year could rise to one per cent from 0.7 per cent with the around 300,000 new graduates facing difficulty finding jobs.

Other negative factors affecting confidence include the increase in domestic fuel prices, delay in rice subsidy payments to farmers, low purchasing power, concerns over higher living costs, lower farm crop prices and uncertainty in global economic prospects.

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