,

World Economic Outlook 2015 and 2016: Global growth is forecast to rise moderately in 2015, from 3.3 percent in 2014 to 3.5 percent in 2015 and 3.7 percent in 2016 according to International Monetary Fund (IMF). In **emerging market and developing economies**, growth is projected to remain broadly stable at 4.3 percent in 2015 and to increase to 4.7 percent according to IMF.

Source: http://www.imf.org/external/pubs/ft/survey/so/2015/NEW012015A.htm

Growth forecast of China and Japan 2015 and 2016: Investment has slowed in **China** and authorities are still cautious about the vulnerabilities after the recent rapid credit and investment growth. The lower growth in **China** affects the entire Asian region. However it is expected to moderate in the coming years. **Japan** fell into recession in 2014 but is expected to strengthen in the coming years due to policy responses, together with the oil price boost and yen depreciation.

Growth forecast of United States of America 2015 and 2016: For 2015, the U.S. economic growth has been revised up to 3.6 percent by IMF, largely due to more robust private domestic demand. Cheaper oil is boosting real incomes and consumer sentiment, and there is continued support from accommodative monetary policy, despite the projected gradual rise in interest rates.

Source: http://www.imf.org/external/pubs/ft/survey/so/2015/NEW012015A.htm

Thailand Economic Outlook 2015 and 2016 : Calmer political environment, better prospects for some export markets, and lower fuel costs will see a gradual momentum of a cautious economic recovery that started in 2014. GDP growth is expected to rise with public investments and domestic spending. The interim government has approved an infrastructure program that includes billions in investments. Thailand has got over the major risks factors surrounding the coup and now is fully on a transitional stage. According to the Bank of Thailand (BoT) "Credit rating agencies have also reaffirmed Thailand credit rating and deemed the Thai economic fundamentals to be strong". The reduced political instability and clearer outlook emerging on economic policies suggest to us that the worst is over.

Thailand is an export oriented economy with exports accounting for around 65 percent of the GDP. The country mainly exports manufactured goods (86 percent of total shipments) with electronics (14 percent, vehicles (13 percent), machinery and equipment (7.5 percent) and foodstuffs (7.5 percent) being the most important. Agricultural goods, mainly rice and rubber, account for 8 percent of total shipments. Major export partners are China (12 percent), Japan (10 percent), the United States (10 percent) and the European Union (9.5 percent).

Thailand has recently lost its competitiveness in export due to strong currency which is not expected to come down any soon. Thailand the 26th largest exporter in the world in terms of dollars according to the CIA Factbook is now depending on robust consumer spending and private consumption which is showing an impressive rebound. High investments in financial assets and on stock markets in recent years have made the interim government to shift focus on investing highly on infrastructural projects to boost exports. However the conservative and cautious approach by the Bank of Thailand will prevail in the coming years keeping in mind the steady recovery of major economies like US, China, Japan and Europe. Thailand economy growth may not be as buoyant as its neighbors like Myanmar, Cambodia, Indonesia and Laos but its strong tourism business is likely to offset a few of its drawbacks in the coming years.

Source:http://www.adb.org/countries/thailand/economy, https://www.tradingfloor.com/posts/accelerating-growth-in-2015-to-see-thai-baht-strengthen-vs-us-dollar-1371780, www.tradingeconomics.com, http://www.economist.com/blogs/banyan/2014/10/thailands-economy

Thailand Tourism Outlook 2015 and 2016 : Tourism is a major economic factor in the Kingdom of Thailand. In 2013 it is estimated that tourism directly contributed 9% (THB1 trillion) to Thailand's GDP. When including the indirect effects of tourism, it accounted for 20.2% (THB2.4 trillion) of Thailand's GDP. On 1 June 2013, Time magazine reported that Bangkok was identified as the most visited city in the world by the 2013 Global Destination Cities Index, while Suvarnabhumi Airport was the world's most geo tagged location on Instagram in 2013. In 2014, 59% of visitors to Thailand came from East Asia, that is, the nine ASEAN nations plus China, Hong Kong, Japan, Korea, and Taiwan. The largest numbers of Western tourists came from Russia (6.5%), the UK (3.7%), Australia (3.4%), and the US (3.1%).[10] Around 55% of Thailand's tourists are return visitors. The peak period is during the Christmas and New Year holidays when Western tourists flee cold conditions at home.

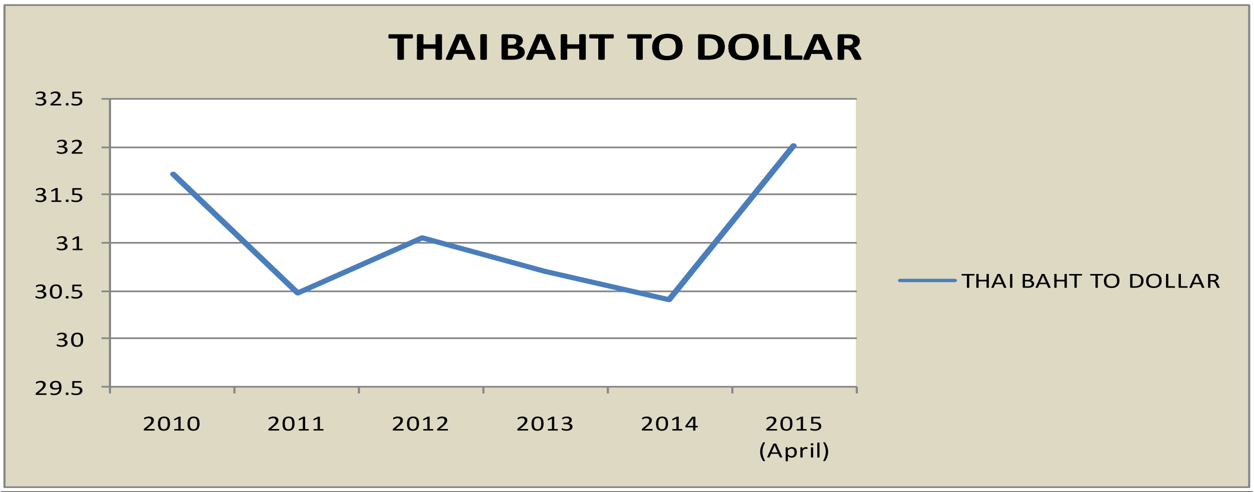
The tourism industry bounced back in Thailand after a slight dip in 2014 due to political instabilities, with an 18% rise in foreign tourist arrivals and a 78% hotel occupancy rate in the first half of February according to Thailand business news published in February 17th 2015. In January 2015, Thailand welcomed a total of 2.65 million foreign tourists and generated about 120 billion Baht in revenue, representing a year-on-year increase of 15.9 per cent and 12.7 per cent, respectively. Thailand forecasts 28.5 to 29 million foreign tourists to visit the country this year said the Minister of Tourism and Sports Kobkarn Wattanavrangkul. An upswing compared to 2014's arrivals, down to 24, 7 millions.

Source: http://www.marketresearch.com/Business-Monitor-International-v304/Thailand-Tourism-Q2-8788250/ , Thailand Business News. http://en.wikipedia.org/wiki/Tourism_in_Thailand

Dollar Currency Outlook 2015 and 2016 : Taking all the factors above and the current economic outlook into consideration Dollar is expected to rise in comparison to Pound and Euro of about 2% and 4% respectively in the coming years 2015 and 2016. On the other hand Yuan is anticipated to depreciate a meager 0.32% whereas Yen is expected to depreciate 5% in the next two years. **Thai Baht** is expected to fall by 3% in the next two years.

Source: http://www.forecasts.org/pound.htm, http://www.reuters.com/article/2014/11/21/us-markets-forex-goldman-sachs-idUSKCN0J51MM20141121,

THAI BAHT TO DOLLAR IN LAST FIVE YEARS



Source: BLOOMBERG

CONCLUSION: