Prasarn Trairatvorakul: Managing emerging market challenges – Thailand's and Asian perspectives

Remarks by Dr Prasarn Trairatvorakul, Governor of the Bank of Thailand, at the reception of the 2011 Emerging Markets Central Bank Governor of the Year Award for Asia, Emerging Markets, Washington DC, 24 September 2011.

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Distinguished Ministers and Governors,

Ladies and Gentlemen,

It is my great honor to receive this prestigious award, and I would like to thank the Emerging Markets for your kind recognition. In fact, such recognition is unexpected as I simply fulfill my obligations as central bank governor. To be awarded for doing your job, I guess the job must be quite difficult or challenging. More importantly, I consider this award a recognition of the dedication of the staff of the Bank of Thailand, who have worked hard to ensure Thailand's sustainable economic and financial stability over the years.

As the Bank of Thailand enters its seventieth anniversary next year, our institution is faced with a great challenge to maintain price stability while sustaining growth in the midst of heightened global economic and financial risks. We have no luxury of taking a wait-and-see approach but to continue our best efforts to better manage the external spillovers on our economy and financial system. With continued volatile global capital movements, central banks in emerging markets need to ensure that our financial institutions and markets remain robust; that they can safely and efficiently manage foreign capital inflows as well as outflows, without disrupting the real economy.

Thus, emerging market central banks must be prepared for policy contingencies ahead. At the core, monetary policy must continue to safeguard price stability, while taking into account concerns about economic growth and financial stability. The Bank of Thailand, on our part, will do our best to steer the Thai economy and financial system through the global turbulences, to ensure the continued well-being of the Thai people in years ahead.

Thank you.