



FOREX

	Open (M)	Close (F)	% change
• THB	32.83	32.73	0.30%
• CAD	1.3352	1.3461	-0.82%
• EUR	1.0872	1.0847	-0.23%
• GBP	1.2282	1.2355	0.59%
• CHF	0.9224	0.9191	0.36%
• AUD	0.7015	0.6941	-1.05%
• NZD	0.6418	0.6430	0.19%
• JPY	127.60	129.35	-1.37%
• CNY	6.6944	6.7796	-1.27%
• SGD	1.3158	1.3218	-0.46%

Open 8.30 (MON) and Close (FRI) 15.30 in Bangkok

GOVERNMENT DEBT MARKET

	Open (M)	Close (F)	bps
• US 02	4.2237	4.1575	-0.066
• US 10	3.4980	3.4238	-0.074
• TH 02	1.5618	1.6345	0.073
• TH 10	2.3877	2.4405	0.053
• CA 10	2.8980	2.7480	-0.150
• GB 10	3.3490	3.3260	-0.023
• DE 10	2.1690	2.1240	-0.045
• AU 10	3.6070	3.4120	-0.195
• NZ 10	4.0980	4.0380	-0.060
• JP 10	0.5080	0.4000	-0.108
• CN 10	2.9450	2.9850	0.040
• SG 10	2.8460	2.8420	-0.004

Open Monday and Close Friday in Bangkok

MONEY MARKET

• Savings	0.450%	• MOR	6.750%
• Fixed 3 months	0.550%	• MLR	6.250%
• Fixed 6 months	0.650%	• MRR	6.650%
• Fixed 12 months	0.800%		

Source: Reuters

India passes China in population. What comes next?

NISARA VADEE, ECONOMIST

In 2022, China’s population fell for the first time in six decades, declining from the previous year by around 850,000 people to 1.41 billion. The last time China’s population fell was in 1961 when a famine exacerbated by Mao Zedong’s disastrous “Great Leap Forward” claimed the lives of tens of millions of people.

China’s population decreased this time for four main reasons: the one-child policy it instituted in the 1980s (but later abandoned); changing attitudes among Chinese young people toward marriage and family; entrenched gender inequality; and the difficulties of raising children in the country’s priciest cities.

The Chinese economy is entering a crucial transitional phase as a result of this population-decline scenario. It’s probable, for a start, that the country won’t be able to rely on its large and cost-competitive workforce to support its industry and expand. Now Chinese elderly currently account for about a fifth of the population. This may lead to stagnation similar to what Japan has been seeing since 1990.

According to estimates from the World Population Review, an independent organisation specialising in census and demographics, the population of India was 1.417 billion at the end of 2022. That is just over 5 million more than the 1.412 billion recorded by China.

As India surpasses China in terms of population, a number of demographic concerns, including labour markets and birth rates, are becoming core issues to keep an eye on in Asia’s two largest countries. India, which has a largely young population, is on the way to being the fastest-growing major economy in the coming years whereas China, which is experiencing an ageing society, is expected to have slower growth after years of rapid expansion.

Five things to look out for:

First, China will experience a challenge from an ageing society more than India. Because China pursued a strict one-child policy up until 2016, the country will see a decline in the number of people of working age during the next century as the elderly population rises to more than 40% of the total. In India, by contrast, people aged 65 years and above will account for less than a third of the total of 2.3 billion people projected by 2100.

Second is India’s labour market. Half of the country’s population is under the age of 30, so millions of people enter the labour market every year looking for jobs. It is an urgent priority for the government to create more jobs and ensure the country sustains its world-beating growth, or it risks ending up with even higher unemployment rates.

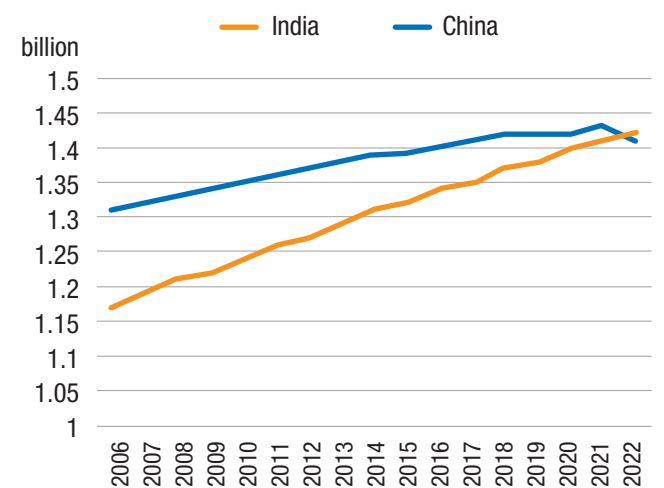
Third, getting more women into the paid workforce is a big challenge to India. Women account for just a fifth of the country’s total labour force, only slightly better than the rate in Afghanistan, while women in China make up 44.8% of the workforce.

Fourth, most of the population of India is low-income. Despite India’s rapid economic growth pre-Covid and its relatively strong recovery from the pandemic, about 800 million people still rely on free food rations from the government. Although India has a much smaller middle class than China, this may be a good thing because firms looking for cheap labour will find India more attractive, and businesses will move away from China.

The last concern is that India’s population remains largely rural. Despite the fact that workers from both countries are moving to megacities in search of better opportunities, the majority of Indians will continue to live in the hinterland by 2035,

while the majority of Chinese people will become more urbanised, according to projections from UN-Habitat. That’s a reminder of the challenges India faces in alleviating poverty and reducing inequality.

POPULATION SHIFT



Sources: Bloomberg

Sources:

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