



Expat Counsel

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YOUR MONEY: Bringing it into Thailand and taking it out Part III

Last time we talked about two of the basic types of baht bank accounts. The third type of baht account is the fixed-term deposit account. This kind of account typically offers no services (such as ATMs), and you have to leave the money in the account for the entire period agreed with the bank, or they apply penalties that don't make opening this kind of account worthwhile. The advantage? Higher interest rates.

We've compared interest rates at three banks to give you an idea of the rates you can get. As to short fixed-term deposits, Bank of Ayudhya and Bangkok Bank pay 1% per annum for three-month fixed-term deposit accounts. For the same period, Siam Commercial Bank pays .75% for deposits of less than five million baht and 1% on deposits of five million baht or more.

Generally, the longer the period of the fixed-term deposit, the higher the interest rate. The Bank of Ayudhya is, however, the same for fixed-term deposits of six months, and pays 1% on these. Bangkok Bank is the same, except it pays 1.25% on fixed-term

deposits of less than three million baht. Siam Commercial, for six-month fixed-term deposits, pays .75% on deposits of less than five million baht and 1% on deposits of more than five million.

For 12-month fixed-term deposits, Bank of Ayudhya and Bangkok Bank pay 1.25%, and Siam Commercial Bank pays 1%. For 24- and 36-month fixed-term deposits, both Bangkok Bank and Siam Commercial Bank pay 1.5%, while Bank of Ayudhya pays 1.75%.

Now let's turn to foreign currency accounts — accounts both resident and non-resident foreigners can maintain in any of about 10 foreign currencies. These have much more complex transaction and fee schedules than do baht accounts, so you have to compare each closely.

To give you a rough idea of the requirements on foreign currency accounts, following are some of the charges of a couple of banks as examples. We limited these to savings accounts, but current and fixed-term accounts are available in foreign currencies, as well. The charges are quoted in US dollars but the equivalent will be

charged in the foreign currency that is being used.

For foreign currency savings accounts, Bank of Ayudhya requires an initial deposit of \$500, or the equivalent, and an average monthly balance of the same. To send foreign currency to one of these accounts from abroad the charge by Bank of Ayudhya is .25%, with a 200 baht minimum and a 500 baht maximum. To deposit foreign currency in cash there is a charge of 1% of the amount deposited, with a 500 baht minimum.

For the same accounts, Bangkok Bank has a minimum deposit of \$5,000. Its minimum balance for a resident is \$5,000, but only \$250 for a non-resident. Its fee for receiving funds from overseas in most currencies is the same as Bank of Ayudhya's: .25%, with a 200 baht minimum and a 500 baht maximum.

We'll just give you a flavour of the interest paid on foreign currency accounts by comparing two more banks: Siam City Bank and Kasikornbank in two currencies, US dollars and euros. For euros, Kasikornbank

pays 1.2% in savings and 1.9% for fixed-term accounts of one year. Siam City Bank pays 1.25% for euro savings accounts and 1.95% for one-year fixed-term accounts. For US dollars, Kasikornbank pays .05% for savings accounts and 1.2% for one-year fixed-term deposits. Siam City Bank pays .05% for dollar savings accounts and 1.1% for dollar fixed-term deposits of one year.

Interest paid on other foreign currencies varies widely. Krung Thai Bank, for example, pays 2% on savings accounts in Australian dollars and 3% on 12-month fixed-term deposits in the same currency.

So, check closely with a couple of banks before you deposit. And don't forget that interest rates change all the time. ■

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