

Paphopsorn Kongkiatsilp 2009: The Relationship between Security Market Development and Economic Growth in Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Assistant Professor Arunee Punyasavatsut, Ph.D. 130 pages.

This study concerns two main objectives: (1) to study the development of security market and the movement of SET index and (2) to study the long term equilibrium relationship between security market development and economic growth in Thailand. Based on descriptive analysis, three periods of security market development in Thailand are the period before establishment Stock Exchange of Thailand (SET), the period during establishment SET, and the period after establishment SET. Then the role of security market was more important in economic system since 1992. Based on quantitative analysis, it is found that the five security market development indicators, ie., the ratio of the market capitalization to GDP, the ratio of the value of trade to GDP, the ratio of the value of trade to market capitalization, number of list share company and the rate of growth of SET index, had positive long term equilibrium relationship with the growth rate of real GDP. In summarized, if the government aims to boost the economic growth, they can achieve the policy goal by promoting security market as an important tool for capital mobilization in the economy.

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Thesis Advisor's signature

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