

Supawadee Patharasathapornchai 2011: The Determinants of Price of White Rice 5% in The Agricultural Future Exchange of Thailand. Master of Economics (Business Economics), Major Field: Business Economics, Department of Economics.
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This research aims to examine the effects of macroeconomic factors on the prices of white rice 5 percent in cash market and The Agricultural Future Exchange of Thailand. By using monthly data from April 2007 to February 2011, the research detects the data problems such as outlier, stationary and multicollinearity. Furthermore, multiple regression analysis estimated by ordinary least squares is used to analyze the impacts. For the error term, it is tested by serial correlation concept.

The results show that the price of paddy 5 percent and dollar exchange rate affect the prices of white rice 5 percent in both markets. That is, the price of paddy 5 percent has positive impacts while dollar exchange rate has negative effects. For the coefficient values, the coefficients of price of paddy 5 percent are 1.352958 in cash market and 0.195318 after eliminating the effect from cash market in The Agricultural Future Exchange of Thailand. Furthermore, dollar exchange rate yields the coefficient values of -1.0287 in cash market and -0.70727 after eliminating the effect from cash market in The Agricultural Future Exchange of Thailand. Therefore, both variables have more impacts on cash market compared to The Agricultural Future Exchange of Thailand.

In this manner, investors and hedgers should pay attention to the changes of these variables. Consequently, they are able to forecast better, improve in risk management and make more profits.

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Thesis Advisor's signature