

Manunya Suntiwichaikul 2012: The Impact of Free Trade Agreement between Thailand and India on Gems and Jewelry Goods in Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Chiraphan Kuldilok, M.Econ. 130 pages.

The main objectives of this study are to analyze the impact of Thai-India Free Trade Agreement on import and export volumes of Gems and Jewelry and to study the competitive advantage of Thailand and India's Gems and Jewelry industry by using the Revealed Comparative Advantage (RCA). The research uses the quarterly data between the first quarter of 2001 to the fourth quarter of 2010. The method of the study is Ordinary Least Square technique.

The research find that Import Prices (c.i.f.), exchange rates and Thai-India FTA are the important factors that affect the import volumes of precious and semiprecious stone. In addition, Export Prices (f.o.b.) and exchange rates are the significant factors that have an influence on the export quantity of precious and semiprecious stone. In the case of article of jewelry and other precious metal (gold, gold alloy, platinum), Import Prices (c.i.f.) affect import volumes while Export Prices (f.o.b.) and TIFTA affect the export volumes. Last but not least, the finding by using the analysis of RCA shows that Thailand and India have a comparative advantage on Gems and Jewelry Goods.

According to the above results, we suggested that the government should have policies that are able to support the production of Gems and Jewelry in addition to other tax measures and supporting young designers to make a difference in jewelry design.

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