

Duangta Ngankorantakarn 2009: Effects of Foreign Portfolio Investment on Securities in Energy and Renewable Bioenergy Sectors in the Securities Exchange of Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Chiraphan Kuladiluk, M.Econ. 176 pages.

The purpose of the research is to study the effect of foreign portfolio investment on the price of securities, the volume of securities buying and selling, and the value of securities buying and selling in energy and renewable bioenergy sectors in the Securities Exchange of Thailand, by calculating to determine the average closing price index of securities, the volume of average buying and selling, and the value of average buying and selling of securities in each sector, and using that average as the representative of each sector of securities to be studied.

The data taken for the study was monthly secondary, time series data from the period of January 2001 to June 2008, totally 90 months. The study was conducted by using Multiple Linear Regression Model, by approximating the coefficient of each equation of the model by using Ordinary Least Square: OLS method.

The research finding concludes that foreign portfolio investment can determine the change of securities price, volume and value of securities buying and selling of the energy sector. This is because the securities in the energy sector are leader securities of a market which have the big Market Cap and the target in investment of foreign investors. Hence, foreign portfolio investment had significant on the securities in energy sector. Meanwhile, the securities in the renewable bioenergy sector are of small Market Cap, therefore they have gained little attention from foreign investors. The most investment belong to an domestic investor which reply on information of Dividend Yeild and P/E Ratio to consider the investment. Hence, foreign portfolio investment had no impact on the securities in renewable bioenergy sector. However, the Stock Exchange of Thailand is a small market that needs to depend heavily on foreign investment money. Since the market is very sensitive to information, maintaining political and economic stability is the most important thing to do. Doing this will create trust in investors, relieve the damage from investment, and finally bring the stability to the Securities Exchange of Thailand.

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Thesis Advisor's signature