

Saowalak Wattanasopasiri 2006: Effects of Agricultural Commodity Future Exchange on Agricultural Price in Thailand: A Case Study of White Rice 5%. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Associate Professor Supriya Kuandachakupt, Ph.D. 86 pages.  
ISBN 974-16-2880-3

The commodity future exchange is one of the choices to help farmers, agricultural manufacturers, and private sector to know, understand and be able to apply the knowledge for production planning, marketing and exportation whereby the farmers can use the news and information to plan their cultivation properly. Therefore, the objectives of this research were to study the working process of The Agricultural Future Exchange of Thailand (AFET) and foreign commodity future exchange, the structure of rice production, exportation, price situation and the price of white rice 5% before and after the existence of the commodity future exchange. The study was conducted with descriptive and quantitative analysis to explain production of future commodity in Thailand and in the foreign market of Chicago, USA. Furthermore, it studied the production, the exportation, and the rice's price situation, including the use of regression analysis model to study factors that influenced the trading of white rice 5%, including the use of a dummy variable to test the results of white rice 5%'s price before and after the existence of commodity future exchange.

There were differences between The Agricultural Future Exchange of Thailand (AFET) and foreign market. In Thailand, news and information about the future market benefits middlemen while in Chicago, it benefitted farmers, middlemen and exporters. The Thai rice millers were the ones who determined the price because of their knowledge of production cost before buying rice from farmers.

The results of the quantitative study showed that the price of paddy at rice field, the amount of rice production, the government guarantee price, and export price at F.O.B. were related to the price of white rice 5% at Bangkok market. In addition, comparing the price of white rice 5% before and after the existence of the future exchange, showed no statistically significant relationship, which may be because the Agricultural Future Exchange of Thailand had just begun trading white rice 5% in 2004.

Saowalak Wattanasopasiri  
Student's signature

Supriya Kuandachakupt  
Thesis Advisor's signature

3 / 11 / 2006