

Visanu Vasanakmon 2007: An Optimal Production Pattern of Financial Investment in the Fattening Pig Farm in Nakhon Pathom Province. Master of Science (Agricultural Economics), Major Field: Agricultural Economics, Department of Agricultural and Resource Economics. Thesis Advisor: Associate Professor Somsak Priebprom, Ph.D. 324 pages.

The main objectives of this study were to analyze and compare the financial worthiness of the fattened pig production investments of the medium farm holders in Nakhon Pathom province. There were 20 pig farm holders purposively selected for an interview to generate data used in the study. A financial investment project analysis was employed and used as a major analytical tool in this study.

The study results showed that there were two production systems of fattened pigs in the study area. The first production system had focused on the fattening of piglets bought from local suppliers, while the second system had involved both production and fattening of piglets. According to the cash – flow management problem within each pig production system, 4 possible alternatives of piglets fattened in each finished lot were 125, 250, 500 and 1,000 heads respectively. Therefore, the financial worthiness of the pig farming investment of each alternative was assessed and compared. The analytical results indicated that the production investment of 250 piglets per finished lot was the best alternative in the first production system, while the production investment of 500 piglets per finished lot was the best alternative in the second production system. Because both investment alternatives were able to generate the maximal profit or net present value (NPV) to the investors. However, the results of the switching value test of the financial risk of the investments indicated that the two best alternatives of the pig production investments still had some financial risks due to an increased cost and / or a decreased income of the investments. Therefore, the investors of both investment alternatives should be aware in order to find the way to overcome or avoid the financial risk problems of the investments.

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