

ABSTRACT

Thesis Title : Demand for Money : A case study of Thailand 1982 - 1996
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This study attempts to test the demand for money function of Thailand based on the money demand theories of Keynes and the Monetarist. The period of study covers 15 years of annual data from 1982 to 1996. The results of the study can be concluded as follows :

1) On Keynesian Money Demand Function, money demand is positively affected by income, but negatively affected by 3-month time deposit rate.

2) On the Monetarist Money Demand Function, money demand is positively affected by income, but negatively affected by 3-month time deposit rate and expected rate of inflation.

3) Money is luxury goods for average Thai people.

4) Money Supply has played an important role to the growth of Thai economy for the last 15 years.