ABSTRACT

Thesis Title   : Determinants of Thailand's Industrail Export Supply

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Export sector plays a significant role in Thailand's economics expansion. But, Thailand has faced the trade restriction and structural change in exports commodities from agriculture to industry. Therefore, the objective of this thesis is to learn about the empirical determinants of Thailand's industrail export supply. The result of this study may be useful in developing an appropriate policy of production and export promotion, and increasing the competitiveness of industrial commodities.

Econometric evidence indicated that there were many factors that determine the industrial export supply. These factors were namely ; relative prices, productive capacity, capacity utilization rate, effective exchange rate and the value of industrail exports in previous year.

Industrail export supply was positively related to relative prices about 0.84. The estimated coefficient was statistically significant at the 1 percent level.

Therefore, if relative prices rose by 1 baht, industrail export supply would increase by 0.84 million baht.

Industrail export supply was positively related to productive capacity about 0.57. The estimated coefficient was statistically significant at the 10 percent level. Therefore, if productive capacity rose by 1 million baht, industrail export supply would increase by 0.57 million baht.

Industrail export supply was negatively related to capacity utilization rate about 0.70. The estimated coefficient was statistically significant at the 1 percent level. Therefore, if capacity utilization rate rose by 1 percent, industrail export supply would decraese by 0.70 million baht.

Industrail export supply was positively related to effective exchange rate about 0.21. The estimated coefficient was statistically significant at the 5 percent level. Therefore, if effective exchange rate rose by 1 baht, industrail export supply would increase by 0.21 million baht.

Industrail export supply was positively related to the value of industrail exports in previous year about 0.83. The estimated coefficient was statistically significant at the 1 percent level. Therefore, if the value of industrail exports in previous year rose by 1 million baht, industrail export supply would increase by 0.83 million baht.