

Pichet Buranasanti 2013: A Feasibility Study of Investment on Rubber Tree Cultivation in Amphoe Thung Song Changwat Nakhon Si Thammarat. Master of Economics (Business Economics), Major Field: Business Economics, Faculty of Economics at Si Racha. Thesis Advisor: Associate Professor Somsak Priebprom, Ph.D. 87 pages.

The main objectives of this study were to study and assess the technical and financial feasibility of rubber tree cultivation investment in Amphoe Thung Song Changwat Nakhon Si Thammarat. A project analysis was employed as the main analytical tool in the study. Both primary and secondary data were used in the study. The primary data was from interviews of 3 smallholders of rubber tree cultivation and some of local traders and related government agencies in the study area. A 10 rai of rubber tree cultivation was purposively chosen for the investment analysis covering 22 years of an investment period with a given 7 % per annum of an opportunity cost of capital.

The study results showed that the investment on the rubber tree cultivation in the target area was technically feasible. In addition, the financial analysis indicated that it was commercially feasible to invest on the rubber tree cultivation as the NPV (net present value), IRR (internal rate of return), BCR (benefit-cost ratio) and Payback Period of the investment were positive (120,356.27 bath), 7.80 %, 1.07 and 13 years 4 months, respectively. A switching value test of the investment was also done to assess the financial risks of this investment. The analytical results indicated that the investment on the rubber tree cultivation was financially infeasible if benefit of the investment was decreased more than 6.12 % or the cost of the investment was increased more than 6.52 %. These results showed that the investment still had some risks, The interested investor of the investment should be aware these risks and prepare an appropriate business plan to counteract them.

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Thesis Advisor's signature