

Abstract

The objective of the research is to create econometric models which can predict the return on Thai property funds. The scope was limited to the study of the Thai Property Funds Public Offering (PR) which is legally registered with the Securities and Exchange Commission. Researcher used econometric model to create the models for each fund and for the overall funds to analyze the relationships between the independent variable (fund past performance), macroeconomic factors, and dependent variables (return on Thai property funds). Macroeconomic factors include; (1) world oil price, (2) 12 months fixed deposit rate, (3) Minimum Loan Rate (MLR), (4) construction price index, (5) investment index from private sector, (6) return from 10 years government bond, (7) Manufacturer Production Index (MPI), (8) exchange rate ฿ / \$, (9) inflation, (10) SET index, (11) world gold price, and (12) number of tourists. Researcher analyzed and forecasted the return on each property fund and each type of fund which were grouped according to their major investments e.g. residential, office building, warehouse, airport, and plaza. The study was for the benefits of the government, investors, and private sector with the hope that they can have clearer pictures of what affect the return on Thai property funds. Researcher found that past performance of the fund in the last 1 and 2 months were significant factors for all the funds. While the significant macroeconomics factors for each type of funds can be summarized; (1) Property funds investing in residentials, return depended on 10 years government (I2), minimum loan rate (MLR) and world oil price (OIL). (2) Property funds investing in office buildings, return depended on construction price index (CON), SET index (SET), manufacturing production index (MPI) and world oil price (OIL). (3) Property funds investing in plazas, return depended on 10 years government bond (I2), investment index (INV) and manufacturing production index (MPI). (4) Property funds investing in warehouses, return depended highly on the funds' last 2 months past performance. (5) Property funds investing in airport, return depended on world oil price (OIL) and number of tourists coming to Thailand (FOR).