

Atiwat Yimsual 2013: Factors Affecting The P/E Ratio of Securities on the Stock Exchange of Thailand. Master of Business Administration, Major Field: Business Administration, Faculty of Business Administration. Thesis Advisor: Assistant Professor Apichat Pongsupatt, Dr.rer.soc.oec. 195 pages.

The purpose of this paper was to study the factors that affected the P/E Ratio of securities in the Stock Exchange of Thailand (SET). Seven factors studied were Return on Equity, Dividend Payout, Growth Rate, Debt to Equity, Inflation Rate, Interest Rate and Market Capitalization. The data analysis was performed by statistical programs, using multiple regression and panel data approach. The following results were obtained on the confidence level of 95% and 21 industrial sectors were analyzed.

The study found that the factors which affected the P/E Ratio varied in each sector. Factors that affected many industries were Return on Equity, which had inverse relationship with the P/E Ratio. Whereas Dividend Payout and Market Capitalization, had direct relationship with the P/E Ratio. The industry with most number of factors affected the P/E Ratio was Construction Materials Sector, consisting of 5 factors. These were Return on Equity, Inflation Rate and Interest Rate had inverse relationship with the P/E Ratio. Whereas Dividend Payout and Debt to Equity had direct relationship with the P/E Ratio. The industries with had no factors affected the P/E Ratio were Energy & Utilities Sector and Automotive Sector.

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