

Sorasak Jongsombatpibul 2013: An Analysis of the Relationship between Futures Prices and Spot Prices of SET 50 Index Futures in Thailand Futures Exchange.
Master of Science (Statistics), Major Field: Statistics, Department of Statistics. Thesis
Advisor: Assistant Professor Winai Bodhisuwan, Ph.D. 144 pages.

The objective of this research is to analyze the relationship between futures prices and spot prices of SET 50 index futures in Thailand Futures Exchange in both short time and long time periods. Econometrics models, i.e., cointegration, error correction mechanism and Granger causality test are used in this study. In addition, the pricing efficiency is analyzed using simple regression model, and the efficiency of pricing from the cost of carry model with support vector regression is compared. Time series data of SET 50 futures and spot closing prices, T-bill and dividend yields from 2006 to 2012 are used. The results indicate that futures prices of SET 50 in Thailand Futures Exchange and spot prices of SET 50 in Stock Exchange of Thailand have shown high correlated and are cointegrated in the long-term and the short-term equilibrium, and they have the unidirectional causality relationship that spot price is an independent variable and futures price is a dependent variable. Furthermore, the results show that futures market of SET 50 index in Thailand Futures Exchange is 20.3% efficient in pricing and the pricing by the cost of carry model is more effective than support vector regression.

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Thesis Advisor's signature