Thesis Title	Time Series Model of Systematic Risk of Banking Sector in The Stock Exchange of Thailand
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ABSTRACT

The purpose of this thesis is to fit Time Series Model of Systematic Risk for 7 stocks in Banking Sector of The Stock Exchange of Thailand. Daily returns for stocks in Banking Sector are obtained for the period January 1984 through June 1996 and are grouped into 150 months, and also 50 quarter-year, nonoverlapping time intervals. Systematic Risk is estimated for each interval. It was found that the Systematic Risk of 6 out of 7 stocks under study changed over time and the Time Series of Systematic Risk of these 6 stocks are consistent with Autoregressive (AR) and Moving Average (MA). The Time Series of the Systematic Risk estimated using a half-year interval are more consistent with Autoregressive (AR) than those using a one month interval chosen to estimate because longer i.e. from month to a quarter behavior the Time Series of Systematic Risk becomes more Autoregressive (AR) and less random in nature. It is also found that the Time Series behavior of the Systematic Risk of stocks of the banks with more stability of earning, more stability of growth rate of earning and more financial leverage are more Autoregressive (AR).