

Manceya Sangmanee 2006: A Worthiness Investment Analysis of Palm Oil Extraction Factory in Amphoe Khao Phanom, Changwat Krabi. Master of Arts (Agribusiness), Major Field: Agribusiness, Department of Agricultural and Resource Economics. Thesis Advisor: Assistant Professor Nongnooch Poramacom, Ph.D. 132 pages.  
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The objectives of this study were to analyze the financial worthiness of an investment on a palm oil extraction factory with 30 metric tons per hour capacity located in Amphoe Khao Phanom, Changwat Krabi, to assess financial risks of the investment due to changes in prices of crude palm oil, prices of oil palm fruit, interest rate and to derived a business plan for investors.

Primary data used in this study came from interviewing owners of palm oil extraction factory in Amphoe Khao Phanom, Changwat Krabi. In addition, secondary data used in the study came from Office of Agricultural Economics, Department of Export Promotion, Department of Industry Promotion. A financial investment project analysis, sensitivity analysis and switching value test were accepted.

The result of the financial analysis show that the a palm oil extraction factory investment was commercially worthiness as the present value (NPV), benefit cost ratio (BCR), and the internal rate of return (IRR) of the investment were 301,771,030.81 baht, 1.050 and 36.79%, respectively. However, the results of the sensitivity analysis indicated that the a palm oil extraction factory investment turn to be financially unworthiness if the oil palm fruit price was increased by 4.28% and the price of crude palm oil price was decreased by 3.18%. The result showed that the investment viability of palm oil extraction factory was very sensitive to changes in major input (oil palm fruit) and crude palm oil prices. Therefore, the interested investors of the palm oil extraction factory should concern on the investment risks incurred by prices of oil palm fruit increased or prices of crude palm oil decreased and prepare a good business plan to handle those price risks.

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