

Lerlak Phupaiboon 2009: A Financial Analysis of an Oyster Farming Investment in Amphoe Kanchanadit Changwat Surat Thani. Master of Science (Agricultural Economics), Major Field: Agricultural Economics, Department of Agricultural and Resource Economics. Thesis Advisor: Associate Professor Somsak Priebprom, Ph.D. 99 pages.

The main objectives of this study were to analyze the financial justification and worthiness of an oyster farming investment in Amphoe Kanchanadit Changwat Surat Thani. The data used in the study was obtained from an interview of 30 sample oysterfarmers chosen purposively. A financial investment project analysis and switching value test were used as the major analytical tools in the study. There were two oyster farming systems found in the study areas. The first oyster farming system used concrete tubes placed on wooden stake, while the second system was to grasp oysters with cement on concrete tubes before placed on wooden stake.

The financial analysis of the first oyster farming investment on 8 rai farm model at 7.50 percent of discount rate indicated that NPV of the investment was 1,569,215.64 baht, BCR was 2.39 and the IRR was 45.27 percent. For the second oyster farming investment on 4 rai farm model it was found that the NPV of the investment was 1,544,732.08 baht, BCR was 1.51 and the IRR was 43.60 percent, respectively. These results indicated that the investment of both oyster farming systems was financially worth wide. Moreover, the sensitivity analysis concerning with a 20 percent decreased in benefit or a 20 percent increased in cost of both investments was done to assess the financial risk of both investments. The results showed that both investments were still financially viable and had a low degree of financial risk.

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Thesis Advisor's signature

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