

Krittiya Navarat 2006: An Analysis of Rate of Return and Risk of Securities in Finance and Securities Sector in The Stock Exchange of Thailand. Master of Economics (Business Economics), Major Field: Business Economics, Department of Economics. Thesis Advisor: Mr. Bundit Chaivichayachat, Ph.D. 154 pages. ISBN 974-16-2239-2

The objective of this study is to analyze rate of return and risk of securities of group comparing with those of The Stock Exchange of Thailand (SET). This study used daily data of rate of return of the SET, including 32 securities in finance and securities sector from 4 January 2005 to 30 December 2005. Ordinary Least Square (OLS) was employed in order to find the relationship among the variable in Capital Asset Pricing Model (CAPM).

The result of the study explores that, from 4 January 2005 to 30 December 2005, the rate of return of the SET was equal to 0.03 percentages per day. There were 6 securities; AITCO, ASL, GBX, GL, MFC and THANI, that had rate of return higher than those of the SET. For the beta coefficient and the Securities Market Line (SML) revealed that there are 5 securities; ASL, GBX, GL, MFC and THANI, which gain higher beta coefficient and above the SML. When we considers risk of securities that measured from Standard Deviation (S.D.), it indicates securities in finance and securities sector had higher S.D. than those of the SET. For systematic risk and unsystematic risk that most securities were unsystematic risk more than systematic risk.

From the result of this study, it is concluded that the investors can adapt the previous information to make decision for investment. Furthermore, it is assumed that they should also consider other factors which affect the rate of advantage and risk of securities before making decision for investment in securities such as fundamental analysis, technical analysis and growth rate in order to gain the maximum profit from the SET and reduce investment diversification.

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