Marayat Ubonsa-ard 2006: An Analysis of Demand in Export Goods from Thailand to China and Demand in Import Goods from China to Thailand. Master of Economics (Business Economics), Major Field: Business Economics, Department of Economics. Thesis Advisor: Associate Professor Santiya Eag-akara, Ph.D. 144 pages.

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The main objectives of this thesis are: 1) to examine the transaction of international trade between Thailand and China and 2) to analyze the key factors that have impact on demand in export goods from Thailand to China and demand in import goods from China to Thailand. The select goods for exporting demand are: natural rubber, sugar, and computer parts, for importing demand are: electronic integrated circuits, receiver radio & television, and computer parts. The study used secondary data as quarterly basis which was collected during 1999 – 2004. The analysis used Multiple regressions Model by applying an Ordinary Least Square (OLS) method.

From the studying of exported demand, the results show that natural rubber and sugar were ranking as the most important exported products from Thailand to China. Thailand was the production base of computer parts for foreign direct investment. The results show that the relative price was the important factors affecting exported demand of natural rubber and sugar from Thailand to China. On the exported demand of computer parts, the affecting factors were relative price, China real GDP and exchange rate (Baht per Yuan). On the imported demand of electronic integrated circuits and computer parts, they were imported for assembling and re-exporting to another countries. On the other hand, receiver radio & television were imported for domestic consumption. The result shows that the important factors affecting imported demand of electronic integrated circuits was relative price, receiver radio & television were relative price and Thailand GDP, and the computer parts were relative price and exchange rate (Yuan per Baht).

The results can be implied that the Thailand exporters and importers should catch up with Thai exported price, China imported price together with the world price. For computer parts, exporters should keep update with Chinese's economy and exchange rate. For the receiver of radio & television, importers should focus on updating with Thai's economy. For computer parts, importers should emphasize on current exchange rate. Moreover government sectors should disseminate proper information to importers and exporters.

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