

Abstract

This study seeks to examine the impacts of three macroeconomic variables (Exchange rate, interest rate and inflation rate) on both indices over the period from January 2002 to December 2011. Linear regression and Multiple regressions were adopted. In addition, this study uses Paired t-test to find the relationships between SETI and SETPDI.

This research emphasized both Indices (SETI and SETPDI), given that both indices are sensitive to Macroeconomic factors. The impact of exchange rate, interest rate and inflation rate to Thai stock market and property stock market were identified. In addition, the relationship between Thai stock market and property stock market was also confirmed.

The findings provide practical implications for Academies who would like to research further on this field of study. This study might be useful as a guide for academicians who are interested in doing further studies on Thai stock market. Future researches can be conducted on other industries or sectors in the SET and it is also suggested to include other factors such as GDP, gold price, oil price, unemployment rate and related factors.

The results have also implications on both local and foreign investors, stock market regulators such as Securities and Exchange Commission, policy makers and stock market analysts. For both local and foreign investors and stock analysts, they could predict the direction of stock market and earn profits. As for stock market regulators, they could take steps to monitor the activities of companies to prevent manipulation of stock prices and get the general public educated on the stock market and encourage them to invest in stocks. Finally, policy makers should be more aware of these Macroeconomic effects on stock market so that they could make their decisions more effectively and accurately.