

Independent Study Title	STOCK MARKET VOLATILITY, TRADING VOLUME AND TRADING STYLES BY INVESTOR GROUPS : EVIDENCE FROM THE STOCK EXCHANGE OF THAILAND
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ABSTRACT

This study determines the relation between daily stock market volatility and daily trading volume by four groups of investor in Stock Exchange of Thailand (SET). All stocks in market are divided into three portfolios based on stock-sizing for testing whether some investor group may has a different impact on each portfolio. The results suggest that trading volume by all groups have a positive effect to market volatility for all portfolios and investors who have the dominant impact over market volatility is proprietary investor. Moreover, this study not only determines relation between volume and volatility but also examines whether trading strategies as contrarian and momentum can be used to explain the positive and negative impact of trading volume on market volatility. It found that trading as contrarian and momentum do not always reduce and increase market volatility. Therefore, trading strategies can't be used to explain the different effect of trading volume on market volatility.

Keywords: Market volatility, Trading volume, Contrarian, Momentum