

Independent Study Title	THE STOCK PRICES ADJUSTMENT TO MACROECONOMIC INFORMATION: EVIDENCE FROM THE STOCK EXCHANGE OF THAILAND
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ABSTRACT

This study focuses on investigating how the macroeconomic variables affect the stock prices adjustment. The objective of this study is to reveal the relationship between the stock prices adjustment and macroeconomic variables of the Stock Exchange of Thailand (SET) by employing Vector Autoregressive Model and Impulse Response Function. The fundamental variables such as interest rate, inflation rate, exchange rate and economic growth have been used as proxies for exploring the test. According to the research, it becomes clear that interest rate and the inflation have an inverse relationship with the stock price, while the exchange rate and economic growth have a positive relationship with the stock price. By showing the relationship between macroeconomic factors and stock prices, this research highlights the impact of stock prices adjustment on the macroeconomic fluctuation to provide a better understanding of the capital market to the investors.

Keywords: Macroeconomic variables, Stock prices, Vector Autoregressive