



DISPOSITION EFFECT AND PORTFOLIO CHARACTERISTICS

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ABSTRACT

Many research papers reported evidence about an existing of disposition bias in Thailand's stock market. This study extends those literatures by using a unique data set from one brokerage house in Thailand to examine certain portfolio's characteristics that influence the disposition effect. This research paper extracts range of characteristics from trading record of investors in Stock Exchange of Thailand and investigates whether they affect the disposition bias. The results suggest that portfolio which is frequently traded and well-diversified suffer less from disposition bias.

Key word: disposition effect, portfolio characteristic