



**RESEARCH REPORT**

**ON**

**THE EFFECTS OF FINANCIAL DECISIONS ON MARKET VALUE OF THAI  
LISTED COMPANIES IN THE SET CLMV EXPOSURE INDEX**

**BY**

**ASSOC. PROF. Dr. THANIDA CHITNOMRATH  
COLLEGE OF INNOVATIVE BUSINESS AND ACCOUNTANCY  
DHURAKIJ PUNDIT UNIVERSITY**

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## รายงานการวิจัย

เรื่อง

**The effects of financial decisions on market value of Thai listed  
companies in the SET CLMV Exposure Index**

**ผลของการตัดสินใจทางการเงินที่มีต่อมูลค่าตลาดของบริษัทจดทะเบียนไทยที่  
อยู่ในดัชนี SETCLMV ของตลาดหลักทรัพย์แห่งประเทศไทย**

โดย

**รองศาสตราจารย์ ดร.ธนิดา จิตรน้อมรัตน์**

**วิทยาลัยบริหารธุรกิจนวัตกรรมและการบัญชี มหาวิทยาลัยธุรกิจบัณฑิตย์**

**รายงานการวิจัยนี้ได้รับทุนอุดหนุนการวิจัยจากมหาวิทยาลัยธุรกิจบัณฑิตย์**

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## บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาผลของการตัดสินใจทางการเงินที่มีต่อมูลค่าตลาดของบริษัทจดทะเบียนไทยที่อยู่ในดัชนี SETCLMV ของตลาดหลักทรัพย์แห่งประเทศไทย การตัดสินใจทางการเงินที่ทำการศึกษาประกอบด้วย การตัดสินใจด้านการระดมเงินทุน ด้านการลงทุน และด้านนโยบายเงินปันผล โดยเก็บข้อมูลทางการเงินจากบริษัททั้งหมดที่อยู่ในดัชนีดังกล่าวจำนวน 31 บริษัทซึ่งเป็นบริษัทขนาดใหญ่ จากแบบ 56-1 เป็นระยะเวลา 5 ปี ตั้งแต่ปี พ.ศ. 2557 – 2561 จำนวนข้อมูลสมบูรณ์ที่ใช้วิเคราะห์ทั้งหมดเท่ากับ 152 ชุด สถิติที่ใช้ในการวิเคราะห์ประกอบด้วย สถิติเชิงพรรณนา และสถิติเชิงอนุมานด้วยการวิเคราะห์สมการถดถอยแบบพหุคูณ รวมทั้งการวิเคราะห์ค่าสหสัมพันธ์ ผลการวิจัยพบว่า การตัดสินใจทางการเงินของบริษัทขนาดใหญ่ทั้ง 3 ด้านมีผลต่อมูลค่าตลาดอย่างมีนัยสำคัญทางสถิติ กล่าวคือ การตัดสินใจระดมเงินทุนที่วัดด้วยอัตราส่วนหนี้ต่อทุน และการตัดสินใจลงทุนที่วัดด้วยอัตราผลตอบแทนต่อสินทรัพย์ มีผลทางบวกต่ออัตราส่วนราคาตลาดต่อมูลค่าทางบัญชีของหุ้นสามัญซึ่งเป็นตัวแทนของมูลค่าตลาดของบริษัท ขณะที่การตัดสินใจด้านนโยบายเงินปันผลซึ่งวัดด้วยอัตราส่วนเงินปันผลต่อแบบ มีผลทางลบต่อมูลค่าตลาดของบริษัท ผลลัพธ์ที่ได้ชี้ให้เห็นว่าการตัดสินใจทางการเงินของบริษัทขนาดใหญ่ ด้านการระดมเงินทุน ด้านการลงทุน และด้านนโยบายเงินปันผลมีความสำคัญต่อการเพิ่มขึ้นหรือลดลงในมูลค่าตลาดของบริษัท

**คำสำคัญ:** การตัดสินใจทางการเงิน การระดมทุน การลงทุน นโยบายเงินปันผล มูลค่าตลาด

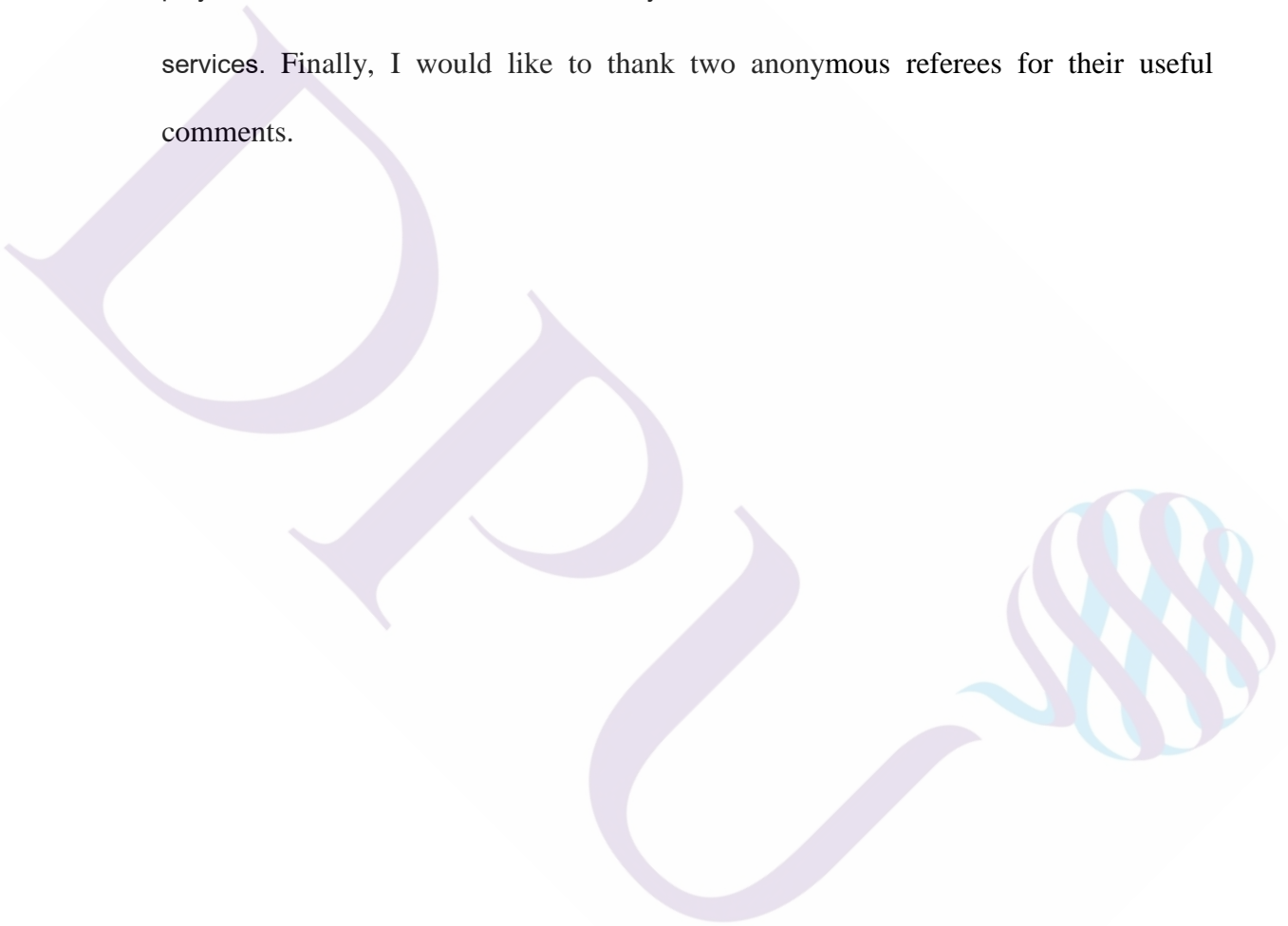
## Abstract

The objective of this research is to study the impact of financial decisions on market value of Thai listed companies in the SETCLMV Exposure index. Financial decisions studied include decisions in financing, investment, and dividend policy. Financial data of all 31 companies in the SETCLMV Exposure index which are large companies are collected from Form 56-1 for a period of 5 years from 2014-2018. The total data for analysis is equal to 152. The set of statistics used in the analysis consists of descriptive statistics and inferential statistics with multiple regression analysis including correlation analysis. The results show that the financial decisions in all 3 areas have a statistically significant impact on market value of large companies. Financing decisions as measured by debt to equity ratio and investment decisions as measured with return on asset ratio have positive effects to the ratio of market price to book value of common share as a proxy of market value while the decisions in dividend policy, which is measured by dividend yield ratio, has a negative effect on market value. The results indicate that financial decisions of large company (financing, investment, and dividend decisions) are important for an increase or decrease in the market value of large company.

**Keywords:** Financial decisions, Financing, Investment, Dividend policy, Market value

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## Chapter 1

### Introduction

#### 1.1 Background to the study

SETCLMV Exposure Index is a new index of Stock Exchange of Thailand (SET), which was launched on June 29, 2018, to reflect the movement of stock price of Thai listed companies that generate revenue from Cambodia, Laos, Myanmar, and Vietnam or CLMV countries. SET considers their revenues from the latest publicly announced information which contains financial statement, annual registration statement (56-1) and annual report. As the SET criteria, selected companies for this index are Thai stocks of listed companies that generate at least 10 percent of annual revenues from Cambodia, Laos, Myanmar, and Vietnam (CLMV countries) or at least THB 100 million annually and their market capitalization (market value) must not be lower than THB 5 billion. Also, they have to have free-float (the number of outstanding shares that are available to the public for trade) at least 20% and have trading ratio higher than 0.5% at least 9 from 12 months of the review period (SET, 2018). It can be seen that companies in SETCLMV Exposure Index come from large companies with having high market value and high profitability from investments in CLMV countries. This is implying that such a good company with high financial performance would results from good and optimal financial decisions. There are many aspects of financial decisions, including debt financing by taking into account the appropriate capital structure, dividend payment policy to obtain retained earnings left for expanding investment projects that have a positive NPV and this leads to keep the business growth continuously, liquidity

management facilitates smooth business operations by effectively repaying short-term debt, Profitability which is the ability to control revenue and operating costs until the company can make a profit at a good level.

Empirical studies found some issues in financial decisions affecting company's market value. The studies of Cheng and Tzeng (2011) and Rahim, Yaacob, Alias & Nor (2010) showed that debt financing is positively related to firm value. Sharif, Purohit, & Pillai (2015) and Okafor & Mgbame (2011) confirmed that dividend payout ratio has significant and influence company stock price. Asiri & Hameed (2014) stated that profitability as measured by return on assets (ROA) is the important factor in explaining the market value. The results from Dadrasmoghaddam & Akbari (2015)'s study indicated that liquidity management (current ratio), debt financing (debt ratio) and profitability (return on assets) have a statistically significant effect on stock price. Alfi & Safarzadeh (2016) also examined the relationship between liquidity and market value and indicated that liquidity can increase the firm value. Therefore, using high liquidity is benefit of higher firm value in order to use investment opportunities optimally. However, there were some studies showing different results of impacts on market value. Adekunle & Kajola (2010) found that debt financing is an inverse relationship with market price per share. Rahim et al. (2010) confirmed profitability ratios being a significant, but negative effect on company value. In line with that, Malhotra & Tandon (2013) stated that the dividend has negative, insignificant relationship with stock prices while Ozturk & Karabulut (2018) have not found any evidence of current ratio (as a proxy of liquidity management) on stock returns.

It can be seen that the results of past studies did not guarantee financial decisions affecting market value of the company. There is still inconsistency in results. That is the influence factors of market value need to be more study and reexamine. In addition, SETCLMV index is new and there is not research about companies in it yet. Therefore, it is interesting to do a research in this area to find out some issues of financial decisions affecting high market value of Thai listed companies in SETCLMV Exposure Index.

## **1.2 Research objectives**

As mentioned in Background to the study, companies selected in SETCLMV index are high market value (not be lower than THB 5 billion). This leads to research questions that – “What are important issues in financial decisions of the companies in SETCLMV Exposure Index that affect their market value?” Therefore, the purposes of the study are:

1. To study the characteristics of important issues in financial decisions of companies in SETCLMV Exposure Index, namely, financing decisions, investment decisions, and dividend decisions including market value of companies in SETCLMV Exposure Index.
2. To study the effect of some issues in financial decisions on market value of companies in SETCLMV Exposure Index.

## **1.3 Scope of the study**

The study focuses on analyzing the influence of financial decisions on the market value of large companies which are Thai listed companies in the SETCLMV

Exposure Index from July 1, 2018 to December 31, 2018, of which there are 31 companies. Financial data used for analysis is during the year 2014-2018 for 5 years.

#### **1.4 Significance of the study**

The findings of the study regarding the influence of financial decision variables on the market value of listed companies in SETCLMV Exposure Index will benefit for executives, investors, prospective investors, academics and the general public.

The results will make the company's executives aware of the financial decisions that matters to the company's market value. This allows them to accurately and efficiently manage the direction of administration. Investors and prospective investors will get useful information on the underlying analysis that will help them make good decisions on their investment. In academic work, the results will contribute to the research on important factors affecting the market value of the company. For financial institutions, the results will help them focus on offering funds for companies which have good operation decisions on investments in CLMV countries.

For other interested, such as government and economic administrators, the results will guide the way to help and support companies investing in CLMV countries and this may increase the number of companies interested in investing in ASEAN. Consequently, it has contributed to the country's economic growth.

### 1.5 Organization of the paper

The paper contains five chapters including the introduction. This chapter has provided the background to the study and explained the research objectives. It also elaborates on scope of the study and the significance of the study.

Chapter 2 reviews literature in the last 10 years between financial decisions including decisions in financing, investment and dividend policy with company's market value to determine the research framework and establish the hypothesis of this research.

Chapter 3 addresses the research methodology. It describes the sample, data collection and variable measurement of all variables of the study. It also provides data sources and statistical analysis to be undertaken.

Chapter 4 reports the empirical results of the study following the research objectives in chapter 1. It first discusses descriptive statistics. After that, it reveals the effect of financial decisions as predictors of company's market value. It also discusses the hypotheses testing results that come from literature review in Chapter 2.

Finally, Chapter 5 contains a summary of the study and the implication of the research findings. It also offers suggestions for future research.

## Chapter 2

### Literature review and hypothesis development

This chapter reviews previous research based on financial management theories to seek critical measurements of financial decisions impacting on a firm's market value. The objective of this chapter is to construct a research framework and develop research hypotheses. It includes two sections. Section 2.1 explains past research from each country around the world in the past ten years during the period 2010-2019. Section 2.2 presents hypothesis development following related research in Section 2.1.

#### 2.1 Literature review

**Financing Decisions and Market value** - Financing Decisions relate to the proportion of company funds between debt and equity. Modern capital structure theory including M&M theory and pecking order theory support financing corporate funds with debt. The theories state that debt financing makes company have low weighted cost of capital and increase firm value (Brigham & Houston, 2018; Hong, 2017). Hong (2017) studied the type of debt financing on firm value of listed companies on the Korea Exchange from 1990-2015. He found that debt ratio as a proxy of debt choice can influence firm value as measured by both a market price to book ratio (PBV) and Tobin's Q. Aggarwal and Padhan (2017) also studies impact of capital structure on firm value of hotel and tourism companies listed on Bombay Stock exchange in India during 2001 - 2015. Their results confirmed a significant relationship between leverage as measured by debt ratio and firm value as measured by market price to book ratio (PBV) as well. Their discoveries are consistent with the studies of Cheng & Tzeng (2011) and Chowdhury & Chowdhury (2010). Cheng and Tzeng (2011) employed 645 companies listed in Taiwan Securities Exchange from 2000 – 2009 to examine the effect of

leverage (debt ratio) on firm value (market price to book value ratio). They concluded that the positive and significant influence of leverage to firm value tends to be stronger when firm financial-decision quality is better. Chowdhury and Chowdhury (2010) tested the influence of debt-equity structure on the value of shares with the companies incorporated in Dhaka Stock Exchange and Chittagong Stock Exchange of Bangladesh. The study analyzed 77 companies from four different dominant sectors of Bangladesh capital market, i.e. pharmaceuticals and chemicals, fuel and power, food, and engineering industry from 1994 - 2003 by considering share price as proxy for value and long-term debt to equity ratio for financing decision. The results showed that long-term debt ratio in capital structure can increase the market value of the company. The interesting finding of the study suggested that a perfect combination of debt and equity can decrease cost of capital and enhance maximizing the wealth of shareholders. On the contrary, Herawati and Putra (2018) discovered that a DR (debt to total assets ratio) variable as a proxy of financing decisions had no effect on the stock price of 17 food and beverage companies listed on the Indonesia Stock Exchange for the period of 2012 – 2015. Utami and Darmawan (2019) examined the effect of debt to equity ratio on stock price in 53 manufacturing companies listed in Indonesian Sharia Stock Index during 2012- 2016 and found that the variable debt to equity ratio has no effect on stock prices as well. Paminto, Setyadi and Sinaga (2016) tested the effect of capital structure (debt to equity ratio - DER) on the firm value (market price to book value ratio – MBV) of the oil palm plantation companies listed in the Indonesia Stock Exchange during the period of 2007- 2011. Their results showed that DER had negative significant effect on MBV and indicated that the companies have been pursuing a policy of capital structure that goes beyond the optimal capital structure that will maximize the company's share price. In addition, the increased DER has become a negative signal to investors.



Measurement and results of empirical studies regarding the relationship between financing decisions and market value of the company are collected and shown in Table 2.1 as follows:

**Table 2.1:** Measurement and results of empirical studies regarding the relationship between financing decisions and market value of the company during years 2010 - 2019

<b>Authors (Researchers)  (Year of publication)</b>	<b>Independent variables of financing decisions as measured by</b>	<b>Dependent variables of market value as measured by</b>	<b>Results at 95 percent confidence level</b>
Aggarwal and Padhan (2017)	Debt ratio (DR)	market price to book value ratio (MBV)	Positive and significant effect
Cheng and Tzeng (2011)	Debt ratio (DR)	market price to book value ratio (MBV)	Positive and significant effect
Chowdhury and Chowdhury (2010)	long-term debt to equity ratio (LDER)	Market price per share (MPS)	Positive and significant effect
Herawati and Putra (2018)	Debt ratio (DR)	market price per share (MPS)	No effect
Hong (2017)	Debt ratio (DR)	market price to book value ratio (MBV)	Positive and significant effect
Paminto et al. (2016)	Debt to equity ratio (DER)	market price to book value ratio (MBV)	Negative but significant effect
Utami and Darmawan (2019)	Debt to equity ratio (DER)	Market price per share (MPS)	no effect

Note: DR = Total debt / Total assets, LDER = Long-term debt/ Equity, DER = total debt/ Equity,

MBV = Market price per share/ Book value per share

**Investment Decisions and Market value** - Investment decisions relate to asset allocation into current assets and fixed assets. Good allocation enhance company have

efficiency of asset management in liquidity, risk and profit (Brigham & Houston, 2018). The decisions involve liquidity management and management in fixed assets or profitable assets. In liquidity management, managers should allocate funds for use as working capital in the daily operations appropriately which this makes the company have enough capital to invest in positive net present value projects. Ligocka and Stavarek (2019) analyzed the impact of selected financial ratios (including net working capital – NWC, return on asset-ROA, return on equity-ROE, return on capital employed – ROCE) on market price per share – MPS as a proxy of stock price, using 20 food and beverage companies listed on selected European Stock Exchanges, mainly Central European countries in three countries – Austria, Switzerland and Poland. They explained variables in their analysis that the NWC is a part of current assets that is financed by long-term financial resources; the NWC shows whether a company has enough short-term assets to cover its short-term debt and the ratio measures operational efficiency and financial health while the ROA and ROE indicate how well the firm uses its resources in generating profit and the ROCE is profitability ratio that reflects how efficiently the company using own capital and debt capital in generating profit. The positive values of the correlation coefficients show that the increase in financial ratios should be related with increasing of stock prices of some countries. It was found that Austrian stock prices were influenced by the ROE, the Polish stock prices were affected by the ROE, the ROCE and the NWC, and the Swiss stock prices were not influenced by selected financial ratios. Bui and Nguyen (2015) also examined the linkage between working capital management (WCM) and firm value from 634 manufacturing companies in Vietnam stock market from 2006 to 2014. They used a regression equation to estimate a WCM independent variable from five variables – the growth of total assets; debt ratio; firm size; return on asset - ROA; and operating profits on total asset and use two measures – market price to book value ratio and Tobin's Q to represent firm value which was a dependent variable. Their results showed that the

deviation from estimating working capital can reduce firm value, thus, firm manager should enhance performance in working capital management at optimal level which this would lead to increase the firm value. Mohamad (2018) investigated the ability of working capital management in enhancing the shareholders' value from Malaysia perspectives by concentrating on 36 Government Linked Companies (GLC) listed on Bursa Malaysia spanning during 2000 to 2016. Tobin's Q ratio was used as an indicator of GLC's firm value whereas the working capital investment policy, financing policy and the cash conversion cycle were used as proxies for working capital. His results demonstrated the importance of efficient management of working capital in enhancing the GLC's firm value. Unlike Mohamad (2018)'s study, Shah and Arif (2018) evidenced a significant negative relationship between net working capital with total market value of 49 Pakistani firms from Karachi Stock Exchange for the period 2004 to 2016. Arachchi, Perera and Vijayakumaran (2017) also demonstrated a significant negative association between cash conversion cycle with Tobin's Q by using a panel of 44 companies listed on the Colombo Stock Exchange over the period 2011 - 2015. However, they suggested that an efficient working capital management can lead to an increase in the market value of the firms and able to increase the shareholders' wealth.

About profit and risk management, Herawati and Putra (2018) tested investment decisions in both liquidity, profit and risk management with stock price by using current ratio, return on assets and asset turnover to be independent variables and employing market price per share to be as a proxy of stock price. They analyzed 17 listed companies on the Indonesia Stock Exchange for the period of 2012 – 2015 and found mixed results that return on assets and asset turnover were positive and significant effects on stock price and the relationship between current ratio and stock price became significant but negative. Moridipour and Farrahpour (2013) and Paminto et al. (2016) evaluated the relationship between current ratio (CR) and return on equity (ROE) as measurement of investment decisions and price to book ratio (MBV) as a ratio of

market value of the company. Moridipour and Farrahipour (2013) found significant positive relationship of MBV and ROE but insignificant and negative relationship with CR, using 56 listed companies at Tehran Stock Exchange during 2005 – 2009. While Paminto et al. (2016) discovered profitability by ROE positively and significantly influencing market value (MBV) of listed companies in the Indonesian Stock Exchange for period 2007 - 2011. Their results showed that price- to- book ratio was suitable criterion for measuring created value for stockholder and gave a signal to investors who expect efficiency of the company management.

Measurement and results of empirical studies regarding the relationship between investment decisions and market value of the company are collected and shown in Table 2.2 as follows:

**Table 2.2:** Measurement and results of empirical studies regarding the relationship between investment decisions and market value of the company during years 2010 - 2019

<b>Authors (Researchers) (Year of publication)</b>	<b>Independent variables of investment decisions as measured by</b>	<b>Dependent variables of market value as measured by</b>	<b>Results at 95 percent confidence level</b>
Arachchi et al. (2017)	Cash conversion cycle (CCC)	Tobin's Q ratio	Negative but significant effect
Bui and Nguyen (2015)	Use a regression equation to estimate a WCM independent variable	Tobin's Q ratio Market price to book ratio (MBV)	Positive and significant effect
Herawati and Putra (2018)	Current ratio (CR) Return on Asset (ROA) Asset turnover (ATO)	Market price per share (MPS)	Mixed results
Ligocka and	Net working capital	Market price per	Mixed results

Stavarek (2019)	(NWC Return on Asset (ROA) Return on Equity (ROE) Return on Capital employed (ROCE)	share (MPS)	
Mohamad (2018)	Investment Policy (IVP) Financing Policy (FIP) Net working capital (NWC) Current ratio (CR)	Tobin's Q ratio	Positive and significant effect
Moridipour and Farrahipour (2013)	Current ratio (CR) Return on Equity (ROE)	Market price to book ratio (MBV)	Mixed results
Paminto et al. (2016)	Return on Equity (ROE)	Market price to book ratio (MBV)	Positive and significant effect
Shah and Arif (2018)	Net working capital (NWC)	Total market value	Negative but significant effect

Note: CCC = Days inventory + Days sales – Days payable, CR = Total current assets/ Total current liabilities, ROA = Net profits/ Total assets, ATO = Net sales/ Total assets, NWC = Current asset – Current liabilities, ROE = Net profits/ Total assets, ROCE = Net profits/ Capital employed, IVP = Total Current Assets / Total Assets, FIP = Total Current Liabilities / Total Assets, Tobin's Q ratio = Market value of outstanding shares + book value of debt/ Book value of the company's assets, a regression equation to estimate a WCM independent variable from five variables – the growth of total assets; debt ratio; firm size; return on asset - ROA; and operating profits on total asset

**Dividend Decisions and Market value** - Dividend decisions relate to divide company earnings to be dividend for shareholders and retain some earnings for managers using as an internal funds for investment and expansion (Brigham & Houston, 2018). The ability of large company to pay dividend can maximize its market value. This is because that Investors view large companies having professional management and financial decisions of these companies lead to the growth of the

company. It can be seen that there are many past studies that have analyzed the relationship between dividend policy and the market value of large company and found dividend policy of large companies in terms of dividend per share, dividend payout ratio and dividend yield having significant influences on market value (Anton, 2016; Gunawan, Pituringsih, and Widyastuti, 2018; Matthew, Eneke and Anyanwaokoro, 2014; Moridipour and Farrahpour, 2013; Nwamaka and Ezeabasili, 2017; Soewarno, Arifin and Tjahjadi, 2017. Anton (2016) investigated the impact of dividend policy on firm value of 63 non-financial firms listed on the Bucharest Stock Exchange over the period 2001-2011 and found that dividend payout ratio (DPR) positively influenced Tobin's Q as company market value. Gunawan et al. (2018) analyzed the effect of dividend policy (dividend per share - DPS) on market value (market price to book value ratio - MBV) of 15 manufacturing companies listed in Indonesia Stock Exchange and paid dividends in consecutive for 2014 through 2016. Their results showed that DPS was significant and positive effect on MBV. Matthew et al. (2014) used three independent variables (DPS, DPR and dividend yield) to measure dividend policy and market price per share (MPS) as a dependent variable to measure market value, analyzing 17 quoted firms on the Nigeria Stock Exchange between 2000 and 2011. The results showed that significantly, there was a positive relationship between dividend payment (DPS and PPR) and market share prices (MPS) but there was a negative relationship between dividend yield and MPS. Moridipour and Farrahpour (2013) used the data of 56 companies in Tehran Stock Exchange for a period of 2005-2009 to test their hypothesis. The result showed that price- to- book has significant positive relationship with DPS and DPR as measurement of dividend policy. Results also confirmed that price- to- book is suitable criterion for measuring created value for stockholder. Nwamaka and Ezeabasili (2017) examined the possible effects of dividend policy on firm value of 10 quoted companies in the Nigerian stock exchange for the period of 1995-2015 with models MPS (Market Price Per Share - MPS) as dependent variable and DPS (Dividend Per Share) as

independent variables. Their study showed the relevance of dividend, dividend as a signaling model and proves that firm value is greatly influenced by dividend policy as far as public limited companies are concerned. Soewarno et al. (2017) examined the direct effect of dividend policy on firm value (Tobin's Q and market to book value ratio – MBV) of 181 companies listed on the Indonesian Stock Exchange in the year of 2014. The results showed that dividend policy (Dividend payout ratio – DPR and dividend yield) positively influenced both Tobin's Q and market to book value ratio – MBV as firm value and indicated that good corporate governance through dividend policy can create firm value. Inconsistent with Nwamaka and Ezeabasili (2017), Egbeonu, Edori and Edori (2016) also tested quoted firms from the Nigeria stock exchange. The result of the study revealed that dividend per share as a proxy of dividend policy was significant but inversely related to share value of the firm as computed 5 years average prices from the capital market. In addition, in the study of Paminto et al. (2016) with companies listed in the Indonesian Stock Exchange for period 2007-2011, they also found the relationship of price to book value ratio (MBV) with dividend policy as measured by dividend payout ratio (DPR) was positive but insignificant.

Measurement and results of empirical studies regarding the relationship between dividend decisions and market value of the company are collected and shown in Table 2.3 as follows:

**Table 2.3:** Measurement and results of empirical studies regarding the relationship between dividend decisions and market value of the company during years 2010 - 2019

<b>Authors (Researchers)  (Year of publication)</b>	<b>Independent variables  of dividend decisions as measured by</b>	<b>Dependent variables of market value as measured by</b>	<b>Results at 95 percent confidence level</b>
Anton (2016)	Dividend payout ratio (DPR)	Tobin's Q ratio	Positive and significant effect

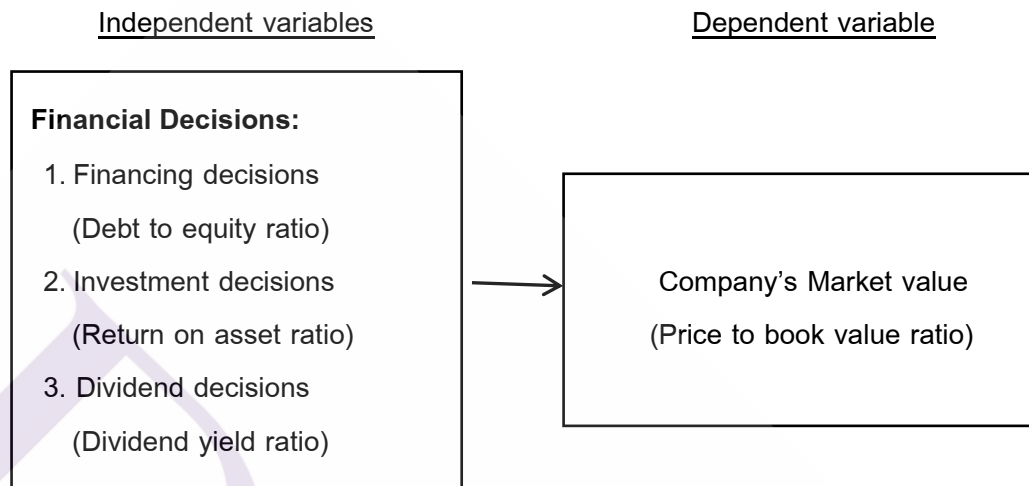
Egbeonu et al. (2016)	Dividend per share (DPS)	Market price per share (MPS)	Negative but significant effect
Gunawan et al. (2018)	Dividend per share (DPS)	Market price to book value ratio (MBV)	Positive and significant effect
Matthew et al. (2014)	Dividend per share (DPS)  Dividend payout ratio (DPR)  Dividend yield	Market price per share (MPS)	Mixed results
Moridipour and Farrahpour (2013)	Dividend per share (DPS)  Dividend payout ratio (DPR)	Market price to book value ratio (MBV)	Positive and significant effect
Nwamaka and Ezeabasili (2017)	Dividend per share (DPS)	Market price per share (MPS)	Positive and significant effect
Paminto et al. (2016)	Dividend payout ratio (DPR)	Market price to book value ratio (MBV)	Positive but insignificant effect
Soewarno et al. (2017)	Dividend payout ratio (DPR)  Dividend yield	Tobin's Q ratio  Market price to book value ratio (MBV)	Positive and significant effect

Note: DPR = Dividend per share/ Earnings per share, DPS = Dividend paid/ Outstanding shares,

Dividend yield = Dividend per share/ Market price per share



According to literature review in this area, the study constructs a conceptual framework of the effect of financial decisions on company's market value as shown in Figure 2.1.



**Figure 2.1:** A conceptual framework of the effect of financial decisions on company's market value

## 2.2 Hypothesis development

Previous studies that investigated the relationship between financial decisions and market value of the company suggest research hypotheses concerning financing decisions and market value, investment decisions and market value, and dividend decisions and market value, as follows.

### 2.2.1 Financing decisions and market value

One of the modern theories of capital structure is Trade off Theory (Brigham & Ehrhardt, 2017). It recommends that the optimal level of debt financing makes the company have weighted average cost of capital lowest and the value of the company highest. Fama & French (2002) also explained financial management function such as debt financing affecting optimizing company value. Lixin & Lin (2010) proved trade off

theory about the relationship between debt financing and market value and found that debt financing can improve the company's market value. The findings of Aggarwal & Padhan (2017)'s study revealed a significant relationship of firm value as measured by price to book value (PBV) with leverage as measured by total debt to net worth (D/E). Cheng & Tzeng (2011) also studied the effect of leverage on firm value and their results showed that the positive influence of leverage on firm value tends to be stronger when firm financial quality is better. Chowdhury & Chowdhury (2010) discovered that debt financing is positively related to the value of the company. According to these results of empirical studies, the research hypothesis should be as follows:

H1: Financial decisions concerning financing decisions positively affect market value of the company.

### **2.2.2 Investment decisions and market value**

Profitability is an important financial task for business executives through effective capital financing and investment decisions in order to maximize revenue and control cost as target (Brigham & Ehrhardt, 2017). The concept of Signaling theory also supports profitability as a good signal of management efficiency (Gunawan et al., 2018). Highly profitable companies are often companies having high market value. Based on the results of Lebo & Tasik (2018), there was a positive relationship between ROA as a proxy of profitability and price to book value as a proxy of market value of the company. In consistent with that, Karakus & Bozkurt (2017) focused on a study about the effect of financial ratios and macroeconomic factors on firm value in Borsa Istanbul. Their analysis results indicated that profitability (return on assets) affects stock returns (price

to book value-PBV) positively. The studies of Marangu & Ambrose (2014), Marsha & Murtaqi (2017) and Rizqia & Sumiati (2013) found a positive effect of profitability on market value, as well. According to these results of empirical studies, the research hypothesis should be as follows:

H2: Financial decisions concerning investment decisions positively affect market value of the company.

### **2.2.3 Dividend decisions and market value**

Dividend policy is considered as one of the most important financial decisions. The concept of Residual theory is that investors prefer the company use retained earnings as an internal source of fund for positive NPV investment projects first and pay dividends if there is profit left (Brigham & Ehrhardt, 2017). The motive of this concept is because the effective rate of tax on dividend income is higher (15% in Thailand) than the tax of capital gain (0% in Thailand). This concept believes that shareholders considering their personal tax positions prefer a low dividend payout policy. In addition, an internal source of fund from retain earnings are perceived as the cheapest cost of capital, therefore dividend policy has an effect on investment decision and then increasing firm value (Baker, Viet & Powell, 2001). Matthew, Innocent & Mike (2014) studied effect of dividend payment on the market price of shares and concluded that dividend payment as measured by dividend payout ratio was a significant influence on market value of quoted firms in Nigeria. Nwamaka & Ezeabasili (2017) also studied effect of dividend policies on firm value from quoted firms in Nigeria and found firm value is affected by dividend policy in terms of dividend per share. The study of

Soewarno, Arifin & Tjahjadi (2017) also concluded that dividend policy as measured by dividend payout ratio influenced firm value as measured by price to book value. According to these results of empirical studies, the research hypothesis should be as follows:

H3: Financial decisions concerning dividend decisions positively affect market value of the company.

**Table 2.4:** hypothesis Development

Hypothesis	Expected sign
H <sub>1</sub> : Financial decisions concerning financing decisions positively affect market value of the company.	+
H <sub>2</sub> : Financial decisions concerning investment decisions positively affect market value of the company.	+
H <sub>3</sub> : Financial decisions concerning dividend decisions positively affect market value of the company.	+

### 2.3 Summary

The objective of this chapter is to generate a research model and develop research hypotheses of the study. The chapter begins with reviewing the influence of financial decisions in three areas including financing, investment and dividend decisions on market value of the company during the period 2010-2019, formulating a research model of this study and ends with research hypotheses based on prior studies. The research model of the study is introduced in Figure 2.1 and a summary of research hypotheses expressed in Table 2.4.

The next chapter presents a research methodology for finding the results of study. It contains the sample selection and data collection, data source, definitions and measurement of all variables including a formal model specification.



## Chapter 3

### Research methodology

This chapter outlines the research methodology used to test hypotheses formulated in Chapter 2. First, the sample selection and data collection are explained in Section 3.1 and 3.2. The definitions and measurements of all variables are described in Section 3.3 and finally, data analysis is explained in Section 3.4.

#### 3.1 Sample selection

Sample in this study is 31 listed companies which are population for calculating in SETCLMV Exposure Index during July 1, 2018- December 31, 2018. They are in various industries, including property development, energy & utilities, health care services, commerce, food & beverage, construction services, steel, petrochemicals & chemicals, information & communication technology, construction materials, agribusiness, and paper & printing materials. Each company must meet the SETCLMV index criteria of Stock Exchange of Thailand (SET, 2018). First, they have to generate at least 10 percent of annual revenues from Cambodia, Laos, Myanmar, and Vietnam (CLMV countries) or at least THB 100 million annually. Second, their market capitalization must not be lower than THB 5 billion. Third, they need to have free-float at least 20%. And fourth, their trading ratio must be higher than 0.5% at least 9 from 12 months of the review period.

#### 3.2 Data collection

For Data and data collection, data used for analysis is secondary data, which is derived from financial data of companies in the SETCLMV index. The source of data

will come from the 56-1 form of the Stock Exchange of Thailand, website of the Stock Exchange of Thailand and the website of each company. The timing for data collection should be during years 2014-2018 for a total of 5 years.

### 3.3 Definitions and measurements of variables

Variables in the study are consisted of dependent and independent variables as specified in the conceptual framework (Figure 1). The study will use price to book value (PBV) as a proxy of market value of the company, debt to equity ratio (DE) as a proxy of financing decisions, return on assets (ROA) as a proxy of investment decisions, dividend yield (DY) as a proxy of dividend decisions, following the prior research that found significant variables (such as the study of Aggarwal & Padhan, 2017; Matthew et al., 2014; Lebo & Tasik, 2018; Marsha & Murtaqi, 2017 and Soewarno et al., 2017). Definitions of variables are shown in Table 2.

**Table 3.1:** Operational definition of variables

Type	Name	Symbol	Calculations
Dependent	Market value	PBV	Price to book value - Market price per share divided by book value of equity per share
Independent	Financial Decisions		
	-Financing Decisions	DE	Debt to equity - Total debt divided by equity
	-Investment Decisions	ROA	Return on assets - Earning after tax divided by total assets and multiplied by 100
	-Dividend Decisions	DY	Dividend yield – Annual Dividend per share divided by market price per share and multiplied by 100

### 3.4 Data analysis

In data analysis, the collected data are analyzed by two statistic methods.

First, the study use descriptive statistics, such as percentage, mean, standard deviation to study the characteristics of variables. Second, inferential statistics which consist of simple linear and multiple regression methods will be utilized for studying the relationship between financial decisions and market value of the company in order to find out the impacts of financial decisions on market value. Moreover, the study will employ Pearson correlation coefficient, the variance inflation factor (VIF) and tolerance to check the multicollinearity between variables of regression model to eliminate redundant variable and maintain the reliability of regression model.

Second, for studying the relationship between issues of financial decisions and market value, a multiple regression model will be given as follows.

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e$$

Where:

Y = Dependent variable

a = Constant of the regression equation

$b_1, b_2, b_3, b_4$  = Regression coefficient

$X_1, X_2, X_3$  = Independent variables

e = Standard error

Therefore, the model for analyzing the relationship between all issues of financial decisions and market value is:

$$PBV = a + b_1 (DE) + b_2 (ROA) + b_3 (DY) + e$$

Where: PBV= Price to book value ratio



DE= Debt to equity ratio

ROA= Return on assets ratio

DY= Dividend yield ratio

### **3.5 Summary**

This chapter introduces research methodology for the study. It is designed to examine the relationship between three aspects (financing, investment, and dividend decisions) of financial decisions and market value of Thai listed company in the SETCLMY Exposure Index. Listed companies in the SETCLMY Exposure Index during July 1, 2018- December 31, 2018 are population and sample firms of the study. The study gathers the data from the 56-1 form of each company in website of the Stock Exchange of Thailand and the website of each company during years 2014-2018 for a total of 5 years. A summary of the definitions and measurements of independent variables are outlined in Table 3.1. Descriptive statistics is used to examine the basic features of variables whereas a multiple regression model is employed to test hypotheses in chapter 2.

The next chapter presents the results of the descriptive and multiple regression analysis. A report of statistical test of hypotheses is also described in this chapter.

## Chapter 4

### Empirical results and hypotheses testing

This chapter presents empirical results of statistical analysis for the hypotheses developed in Chapter 2. It begins with the final sample size for analysis in Section 4.1 and the results from descriptive analysis in Section 4.2. This is followed by reports on the results of multiple regression analysis in Section 4.3. Finally, the results of the hypotheses testing are discussed in Section 4.4.

#### 4.1 The final sample size for analysis

As discussed in Chapter 3 (Section 3.1), all 31 listed companies in the SETCLMV Exposure Index of the Stock Exchange of Thailand (SET) during July 1, 2018- December 31, 2018 are determined to be the sample of the study. The data from these companies are collected for the periods 2014 – 2018 in each company annually and a total of five years should be equal to 155 sets. However, after considering any missing data, the final data on the variables consist of 152 sets.

#### 4.2 Descriptive results

In the descriptive analysis of all variables, both independent (DE, ROA, DY) and dependent (PBV) variables, the results are shown in Table 4.1.

**Table 4.1:** Minimum, maximum, mean, standard deviation, skewness and kurtosis of all variables

	Minimum	Maximum	Mean	Std. Deviation	Skewness (S)		Kurtosis (K)	
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
DE	.10	7.90	1.1527	.99535	3.055	.197	15.478	.391
ROA	-9.73	40.38	8.3541	5.93012	1.129	.197	5.420	.391
DY	.00	22.47	3.2154	2.76368	2.906	.197	15.674	.391
PBV	.44	12.23	2.4754	2.12381	2.531	.197	7.464	.391

Note: N=152

Each variable in Table 4.1 has the following descriptive statistics.

1. The debt to equity (DE) ratio has an average of 1.15 times, the highest is 7.90 times, the lowest is 0.10 times, and standard deviation is 0.99 times. The data distribution has been found to skew to the right. The skewness coefficient is greater than 0 and a positive value of 3.06 indicates that the data distribution is skewed to the right and most values are less than the average. The kurtosis coefficient of data is at a high level of 15.48, which is greater than 0.236, meaning that the distribution of data is high (Leptokurtic).

2. The return on assets (ROA) ratio has an average of 8.35%, the highest is 40.38%, the lowest is -9.73%, and standard deviation is 5.93%. The data distribution has been found to skew to the right. The skew coefficient is greater than 0 and a positive value of 1.13 indicates that the data distribution is skewed to the right and most values are less than the average. The kurtosis coefficient of data is at a high level of 5.42, which is greater than 0.236, meaning that the distribution of data is high (Leptokurtic).

3. The ratio of dividend yield (DY) has an average of 3.22%, the highest is 22.47%, the lowest is -0.00%, and standard deviation is 2.76%. The data distribution has been found to skew to the right. The skew coefficient is greater than 0 and a positive value of 2.91 indicates that the data distribution is skewed to the right and most values are less than the average. The kurtosis coefficient of data is at a high level of 15.67, which is greater than 0.236, meaning that the distribution of data is high (Leptokurtic).

4. The ratio of price to book value (PBV) has an average of 2.48 times, the highest is 12.23 times, the lowest is 0.44 times, and standard deviation is 2.12 times. The data distribution has been found to skew to the right. The skew coefficient is greater than 0 and a positive value of 2.53 indicates that the data distribution is skewed to the right and most values are less than the average. The kurtosis coefficient of data is at a high level of 7.46, which is greater than 0.236, meaning that the distribution of data is high (Leptokurtic).

#### **4.3 The results of multiple regression analysis**

For regression analysis, the analysis begins with checking the redundancy of independent variables by correlation analysis. After that, multiple regression analysis was performed. All results are as follows.

1. Check for multicollinearity - The study employs a bivariate Pearson product-moment correlation to check multicollinearity between the independent variables. The results in Table 4.2 show that there are not independent variables in this study having a high coefficient of variation (i.e. 0.80 and above). The highest correlation in the table is -

.042. Therefore, it can be concluded that there is no significant multicollinearity between the independent variables of the study.

**Table 4.2:** Pearson correlation coefficients of independent variables

Variables	DE	ROA	DY
1. DE	1.00		
2. ROA	-.398**	1.00	
3. DY	-.190*	-.042	1.00

Note: N = 152, \*\* P < 0.01 (2-tailed), \* P < 0.05 (2-tailed)

2. Multiple Regression analysis results - The research model in Figure 2.1 is tested to examine the relationship between three financial decisions (financing, investment, and dividend decisions) and market value of Thai listed companies in the SET CLMV Exposure index. The results are shown in Table 4.3. The model of multiple regression analysis is significant at  $p < 0.05$  level with an F-test value of 23.202. The R-square value of the model is 0.32, suggesting that the independent variables of the estimated equation explain approximately 32 percent of the variation in the market value. The remaining is explained by other independent variables which are not in the model. The study also examines tolerance and variance inflation factors (VIF) from a total of 152 data sets. The results reveal that the tolerance of variables in the model is not close to zero (between 0.80 and 0.95) and the variance inflation factors (VIF) of variables are less than 10. These results confirm that multicollinearity between the independent variables is not significant for this model. The regression findings in this Table show that there are three variables of financial decisions dominating market value. They including financing decisions (as measured by debt to equity ratio - DE) and Investment decisions (as measured by return on assets - ROA) are statistically

significant and have positive signs as expected at  $p < 0.05$  (1- tailed). There is only one variable – dividend decisions (DY) which is statistically significant but shows a negative relationship with price to book value (PBV) as a proxy of market value at  $p < 0.05$  (1-tailed).

**Table 4.3:** Results of financial decisions on market value of listed companies in the SET CLMV Exposure Index

Dependent variable	Independent variables	Coefficients	t	Significance	Collinearity	
					Tolerance	VIF
PBV	DE	.864	5.33	0.00	.80	1.25
	ROA	.177	6.62	0.00	.83	1.21
	DY	-.143	-2.67	0.00	.95	1.06

Note: N = 152, F-value = 23.202, R-square = 0.32, Sig = 0.00 confidence level 95%

#### 4.4 The results of hypotheses testing

The results of hypotheses test - The results of hypotheses testing come from the results of analyzing a multiple regression model in table 4.4. The results at a confidence level = 95% show that H1 is supported that financial decision concerning financing decisions with debt positively affects market value of the company as hypothesized, H2 is supported that financial decision concerning investment decisions positively affects market value of the company as hypothesized, and H3 is also supported but the sign is negative which differ from the expected sign which means that financial decision concerning dividend decisions negatively affects market value of the listed companies in the SETCLMV exposure index.

**Table 4.4:** Results of hypotheses testing

Hypothesis	Expected sign	Results
H <sub>1</sub> : Financial decision concerning financing decisions with debt positively affects market value of the company.	+	Positive support
H <sub>2</sub> : Financial decision concerning investment decisions positively affects market value of the company.	+	Positive support
H <sub>2</sub> : Financial decision concerning investment decisions positively affects market value of the company.	+	Negative support

Note: Results at confidence level = 95%

#### 4.5 Summary

This chapter reports descriptive analysis of all variables and the empirical results of a multiple regression model used to test the research hypotheses of the study. In descriptive analysis, the results show in Table 4.1. For the multiple regression tests, the results of Tables 4.2 indicate that Debt to equity (DE) as a proxy of financing decisions, Return on assets (ROA) as a proxy of investment decisions, and dividend yield (DY) as a proxy of dividend decisions are significant factors of a firm's market value. Hypotheses of the study in Table 4.3 are supported by this model.

The final chapter will present the conclusions of the study. It contains a summary and the implication of the study including suggestions for future research.

## **Chapter 5**

### **Conclusions**

The final chapter presents conclusions of the study. Section 5.1 describes summary of the study following research objectives specified in Chapter 1. Section 5.2 discusses implications of the study findings and finally, Section 5.3 outlines suggestions for future research.

#### **5.1 Summary of the study**

This study examines the effect of financial decisions on market value of Thai listed companies in the SET CLMV Exposure Index during the period 2014-2018. The purpose of the study is to examine how financial decisions related to financing decisions, investment decisions, and dividend policy affect the market value of large companies. The study selects large Thai listed companies that are in the index of the Stock Exchange of Thailand as a unit of analysis. The analysis results are according to the hypothesis set. Financing decisions and investment decisions have a significant effect on the company's market value in a positive direction while the company's dividend policy decision has a significant but negative impact on market value.

#### **5.2 implications of the study findings**

The results of descriptive statistics show the effectiveness of the company's financial decisions in each area. In raising funds with debts, it is found that most of the company's debt creation is highly cautious due to data distributions skew to the right and most values are less than the average (1.15 times), meaning that most companies



intend to control financial risks to be at a satisfactory level. For investment decisions, it has been found that the average return on invested assets is 8.35%. The data distributions are high, skew to the right and not more than average, implying that the ability of most companies to make profits are efficient. In the case of the dividend policy decision, the return for investors is not very high, as can be seen from the average dividend yield of 3.24%, even the data distributions are high, skew to the right but not more than average, indicating that the company's dividend payment may not be very attractive to prospective investors and would be unlikely to promote their market values.

In analyzing the inferential statistics, the independent variables that are financial decisions in all three aspects (financing, investment and dividend decisions) are significant for the forecasting of market values as measured by price to book value (PBV). The positive and significant coefficient of debt to equity ratio (+0.864) follows on the hypothesis (H1) and is in line with empirical studies such as the studies of Aggarwal and Padhan, 2017; Brigham & Houston, 2018; and Hong, 2017. The results indicate that fundraising with debt is good for the company as it makes the company has enough capital to expand its business and growth which helps boost market value. The positive and significant coefficient of return on asset ratio (+0.177) also follows on the hypothesis (H2) and is consistent with past studies (such as Gunawan et al., 2018; Ligocka & Stavarek, 2019; Marsha & Murtaqi, 2017). The positive and significant coefficient of dividend yield ratio (-0.143) does not follow the direction of hypothesis 3 (H3). It does not correspond in the same way as most research in the past (such as, Nwamaka and Ezeabasili, 2017; Soewarno et al., 2017). However, it is still in line with the study of Egbeonu, Edori and Edori (2016) and Matthew, Enekwe and Anyanwaokoro

(2014). They tested quoted firms from the Nigeria stock exchange and found that dividend policy was significant but inversely related to value of the firm. Past studies stated that if the company pays enough returns for investors and shareholders, it may help the dividend policy to have a positive effect on the company's value. But in the case of Thai listed companies in the SET CLMV index, the analysis results indicate that the returns paid by most of large companies are not more than average (3.22%) which means that it is too small to have a positive effect on the market value.

### **5.3 Suggestions for future research**

First, the results of the study show the influence of financial decisions on market value of Thai listed companies in the SETCLMV Exposure Index. However, to make sure that they are important factors in all large companies in The SET, future research should expand research in this area into other indexes in the Stock Exchange of Thailand (SET).

Second, the study finds that dividend decision has a negative impact on market value of large company which is contradictory to most of the past research. Therefore, future research needs to study the relationship between dividend policy and market value of other large companies in the Stock Exchange of Thailand such as companies in the SET High Dividend 30 index (SETHD) and in the SET Well-being index (SETWB), etc. in order to be clear in the results.

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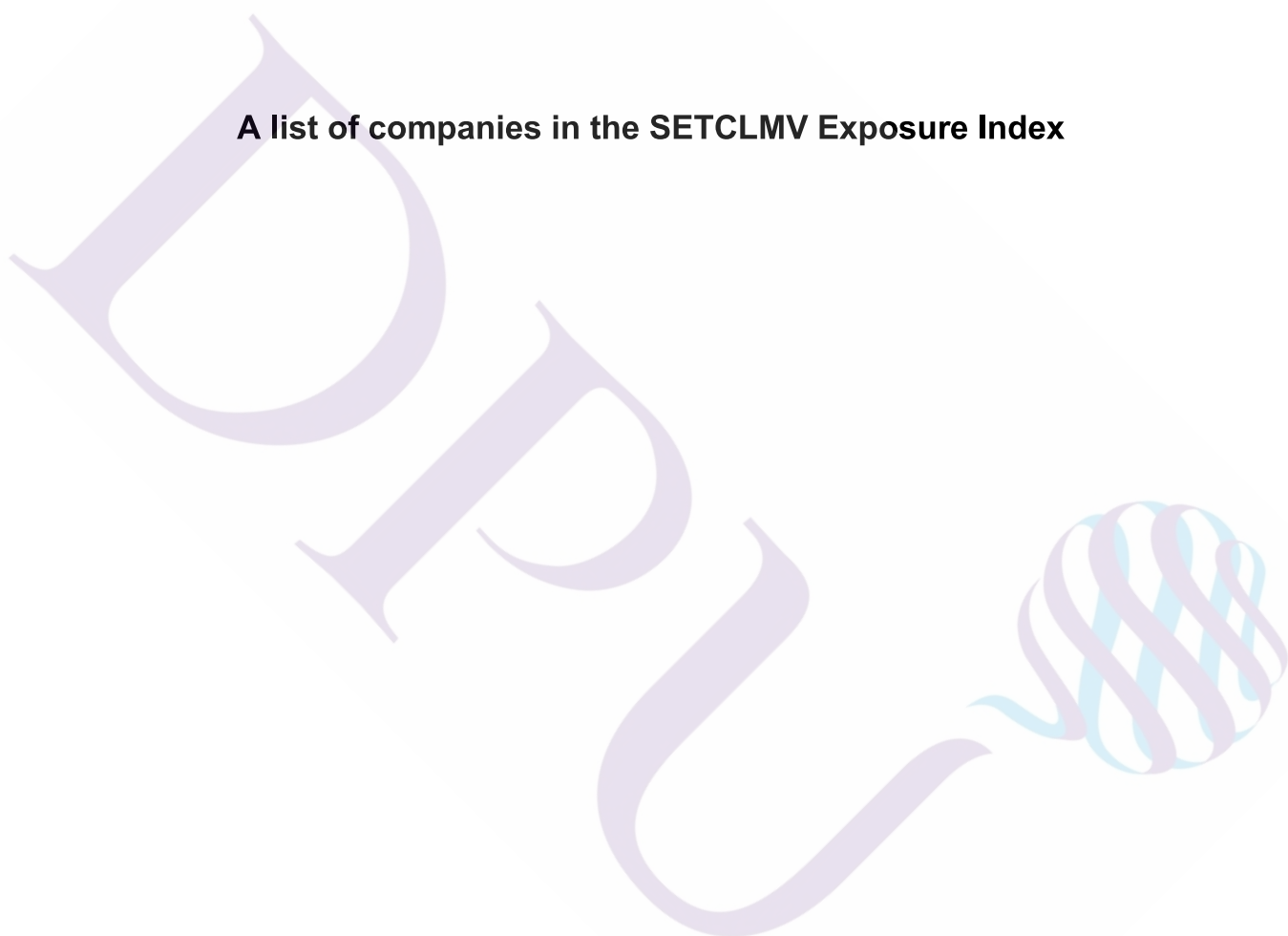
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## Appendix

**A list of companies in the SETCLMV Exposure Index**





### A List of companies in SETCLMV Exposure Index

(During July 1, 2018- December 31, 2018 in English and Thai)

No.	Company name	
1	AMATA CORPORATION PUBLIC COMPANY LIMITED บริษัท อมตะ คอร์ปอเรชั่น จำกัด (มหาชน)	AMATA
2	AMATA VN PUBLIC COMPANY LIMITED บริษัท อมตะ วีเอ็น จำกัด (มหาชน)	AMATAV
3	บริษัท บ้านปู จำกัด (มหาชน)	BANPU
4	BANGCHAK CORPORATION PUBLIC COMPANY LIMITED บริษัท บางจาก คอร์ปอเรชั่น จำกัด (มหาชน)	BCP
5	BANGKOK DUSIT MEDICAL SERVICES PUBLIC COMPANY LIMITED บริษัท กรุงเทพดุสิตเวชการ จำกัด(มหาชน)	BDMS
6	B.GRIMM POWER PUBLIC COMPANY LIMITED บริษัท บี.กริม เพาเวอร์ จำกัด (มหาชน)	BGRIM
7	BERLI JUCKER PUBLIC COMPANY LIMITED บริษัท เบอร์ลี่ ยุคเกอร์ จำกัด (มหาชน)	BJC
8	BANPU POWER PUBLIC COMPANY LIMITED บริษัท บ้านปู เพาเวอร์ จำกัด (มหาชน)	BPP
9	CARABAO GROUP PUBLIC COMPANY LIMITED บริษัท คาราบาวกรุ๊ป จำกัด (มหาชน)	CBG
10	CH. KARNCHANG PUBLIC COMPANY LIMITED บริษัท ช.การช่าง จำกัด (มหาชน)	CK
11	CK POWER PUBLIC COMPANY LIMITED บริษัท ซีเค พาวเวอร์ จำกัด (มหาชน)	CKP
12	GLOW ENERGY PUBLIC COMPANY LIMITED บริษัท โกลว์ พลังงาน จำกัด (มหาชน)	GLOW
13	ICHITAN GROUP PUBLIC COMPANY LIMITED บริษัท อิซิตัน กรุ๊ป จำกัด (มหาชน)	ICHI
14	IRPC PUBLIC COMPANY LIMITED บริษัท ไออาร์พีซี จำกัด (มหาชน)	IRPC
15	KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED บริษัท น้ำตาลขอนแก่น จำกัด (มหาชน)	KSL

16	LOXLEY PUBLIC COMPANY LIMITED บริษัท ล็อกซเลย์ จำกัด (มหาชน)	LOXLEY
17	MEGA LIFESCIENCES PUBLIC COMPANY LIMITED บริษัท เมก้า ไลฟ์ไซน์แอนซ์ จำกัด (มหาชน)	MEGA
18	MILLCON STEEL PUBLIC COMPANY LIMITED บริษัท มิลล์คอน สตีล จำกัด (มหาชน)	MILL
19	MINOR INTERNATIONAL PUBLIC COMPANY LIMITED บริษัท ไมเนอร์ อินเตอร์เนชั่นแนล จำกัด (มหาชน)	MINT
20	PTT PUBLIC COMPANY LIMITED บริษัท ปตท. จำกัด (มหาชน)	PTT
21	PTT GLOBAL CHEMICAL PUBLIC COMPANY LIMITED บริษัท พีทีที โกลบอล เคมิคอล จำกัด (มหาชน)	PTTGC
22	SAMART CORPORATION PUBLIC COMPANY LIMITED บริษัท สามารถคอร์ปอเรชั่น จำกัด (มหาชน)	SAMART
23	THE SIAM CEMENT PUBLIC COMPANY LIMITED บริษัท ปูนซิเมนต์ไทย จำกัด(มหาชน)	SCC
24	SIAM CITY CEMENT PUBLIC COMPANY LIMITED บริษัท ปูนซีเมนต์นครหลวง จำกัด (มหาชน)	SCCC
25	SIAMGAS AND PETROCHEMICALS PUBLIC COMPANY LIMITED บริษัท สยามแก๊ส แอนด์ ปีโตรเคมีคัลส์ จำกัด (มหาชน)	SGP
26	STAR PETROLEUM REFINING PUBLIC COMPANY LIMITED บริษัท สตาร์ ปิโตรเลียม รีไฟน์นิ่ง จำกัด (มหาชน)	SPRC
27	TIPCO ASPHALT PUBLIC COMPANY LIMITED บริษัท ทีบีโก้แอสฟัลท์ จำกัด (มหาชน)	TASCO
28	THAICOM PUBLIC COMPANY LIMITED บริษัท ไทยคม จำกัด (มหาชน)	THCOM
29	THAI OIL PUBLIC COMPANY LIMITED บริษัท ไทยออยล์ จำกัด (มหาชน)	TOP
30	THAI WAH PUBLIC COMPANY LIMITED บริษัท ไทยวา จำกัด (มหาชน)	TWPC
31	UNITED PAPER PUBLIC COMPANY LIMITED บริษัท ยูไนเต็ด เปเปอร์ จำกัด (มหาชน)	UTP