

Independent study title	THE EFFECT OF QUANTITATIVE EASING ON THAI VOLATILITY
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### **ABSTRACT**

This study investigates the effect of Quantitative Easing (QE) which it was used after the 2008 global financial crisis the central bank of the major economies that have caused the crisis has used monetary policy on the volatility of financial market in Thailand though SET50. We study QE proxy though volume variable which include variable in conditional variance of GARCH and EGARCH model. We found that EGARCH with volume variable can fit data better than GARCH and negative relationship between QE and volatility in Thailand. Moreover, this study uses those models to estimate volatility to construct mean-variance portfolio between stock and bond that allocate weight of 2 risky assets. We found the return of portfolio that use forecasted volatility give the better performance than the traditional mean variance portfolio

Keywords: GARCH with exogenous variable, EGARCH with exogenous variable, Quantitative Easing