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**THE EMPIRICAL EVIDENCE ON MANAGEMENT
FORECAST DISCLOSURES IN THAILAND**

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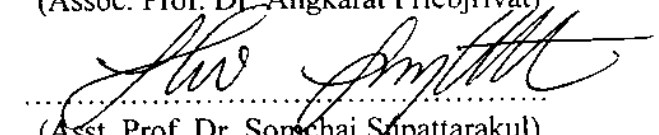
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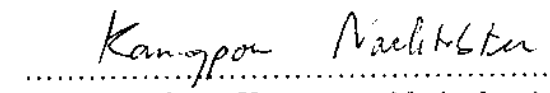
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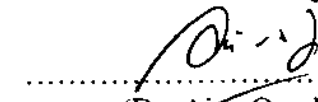
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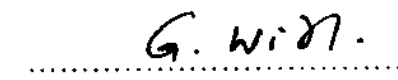
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ABSTRACT

The purpose of this study is to explore management forecast disclosure practices and to investigate the information content of management forecast disclosures in Thailand. Exploring management forecast disclosure practices, I find that more than half of listed companies in the Stock Exchange of Thailand (the SET) volunteer to provide their management forecasts to the public. Firms have several alternatives to design their management forecast disclosures for each forecast characteristic: forecast frequency, forecast timing, forecast horizon, forecast item, and forecast form. Examining the information content of management forecast disclosures by employing event study, I find that management forecast disclosures are informative. There is a significant market reaction to management forecast disclosures surrounding management forecast release date.

Since the SET issues disclosure guidelines for listed companies, I also examine their effect of and compliance with them on management forecast disclosure practices. I find that the disclosure guidelines affect management forecast disclosure practices, but do not affect the information content of management forecast disclosures. The empirical evidence from the compliance test also reveals a number of management forecast disclosures that do not comply with the disclosure guidelines.

Finally, this study provides early empirical evidence on characteristics of forecast firms. Employing a binary logistic regression analysis, I find that forecast firms have different firm characteristics compared to non-forecast firms. Large negative unexpected earnings firms, high returns variation firms, large firms, and new capital offering firms are more likely to provide management forecast disclosures to

the public. I additionally find that firms are more likely to provide management forecast disclosures in the post-guidelines period than in the pre-guidelines period.

This study provides several implications and contributions to related parties such as the SET, investors, and listed companies' management. This study shows that management forecast disclosures are useful for investment decisions and also indicates that forecast firms have different characteristics compared to non-forecast firms. Difference in firm characteristics may be driven by difference in management motives, investors should be aware of this when using management forecast disclosures in their decisions. The empirical evidence in this study is useful for the SET in its responsibility to develop rules or guidelines related to management forecast disclosure and to regulate management forecast disclosures of listed companies. Finally, this study provides a contribution to academic research, specifically accounting research in Thailand, since this study is the first study to explore management forecast disclosure practices in Thailand.

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