

Independent study title	PRICE LIMIT CHANGES AND MARKET QUALITY IN THE STOCK EXCHANGE OF THAILAND
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## ABSTRACT

In order to stabilize the market and curb the excessive volatility during the market crisis event, many policymakers decided to launch the measure of adjusting price limit and circuit breaker level. To prove the effectiveness of this policy, this study will examine the relationships between price limit changes and the market quality in the Stock Exchange of Thailand (SET) during the COVID-19 situation. The main results indicate that after the price limit changes from 18<sup>th</sup> March 2020 to 30<sup>th</sup> September 2020, the intraday volatility increases significantly in SET50. Interestingly, the opposite direction can be observed in SET51-100 stocks, which means the policy will be effective in stocks with less market capitalization and higher volatility stock. For the market depth, both stocks in SET50 and SET51-100 are decreased significantly.

**Keywords:** Price Limit, Transaction Data, Intraday Volatility, Market Depth, SET100