

**The dynamic of bond yield spread around the revision of rating date:
Evidence from Thailand**

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ABSTRACT

We study the effect of the credit rating announcement event to the corporate bonds yield in Thailand using a panel model. Downgrading event shows strongly evidence that such event make the bond yield change significantly. However, the impact occurs only the day before and after the announcement date which is a short period of time. In case of upgraded bond, the impact occurs in both the announcement date and thereafter. This result for upgraded bond cannot be found in standard event study but the finding is found from the bond abnormal return model.