

**Return and Volatility Spillovers and Dynamic Correlation during Crises: An Analysis Using  
Multivariate EGARCH Framework**

**Chosit Detwanitchayanumut  
5102042065**

Master of Science Program in Finance (International Program)

Faculty of Commerce and Accountancy, Thammasat University, Bangkok, Thailand

November 2010

**ABSTRACT**

Using daily price indices from January 1991 to January 2010, this research investigates return and volatility spillovers among Hong Kong, Thai, and US equity markets. The relatively long time series allows an examination of how return and volatility dynamics among these three markets evolve over time, in particular during periods of crises. The empirical result shows that the US market has a dominant role in determining price levels, but not volatility in Hong Kong and Thailand. The US subprime crisis appears to have high impact on Asian markets whereas conditional correlation among all country pairs during the subprime crisis have increased notably, suggesting that the subprime crisis had a more eminent world-wide impact.