

# Value Investing: The Circle of Competence in Technology Industry in the Stock Exchange of Thailand

Isaradet Khrueachao

Telkom University, Bandung and Republic of Indonesia

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## ABSTRACT

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Value investing idea was originally from Dodd and Graham (1951). They suggested investing based on value stock assessment by comparing stock price with accounting figures and historical trading. Various studies, such as Basu (1977), Fama, & French (1992, 1993, 1995, 1998, 2006, 2012), Asness, Moskowitz, & Pedersen (2013, 2015), Lakonishok, Shleifer, & Vishny (1994) classified investing as growth investing and value investing. The growth investing uses high P/E and P/BV ratios while the value investing uses low P/E and P/BV ratios. Previous studies found the value investing portfolio outperformed growth investing portfolio. In Thailand, many researchers have studied value investing, such as Sareewiwatthana (2011 & 2013) and Nettayanun (2017), who constructed an investment portfolio of value investing and growth investing in order to compare them with SET return.

**Keywords:** value investing, growth investing, circle of competence, SET