



**A STUDY ON THE IMPACT OF GROSS DOMESTIC PRODUCT (GDP), INTEREST
RATE, INFLATION RATE AND EXCHANGE RATE TOWARDS FOREIGN
DIRECT INVESTMENT (FDI) INFLOWS IN MALAYSIA**

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JOHOR**

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DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
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“DECLARATION OF ORIGINAL WORK”

I, NURHIDAYAH BINTI AZMAN, (910614-01-6174)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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LETTER OF SUBMISSION

Date of submission

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Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “A STUDY ON THE IMPACT OF GROSS DOMESTIC PRODUCT (GDP), INTEREST RATE, INFLATION RATE AND EXCHANGE RATE TOWARDS FOREIGN DIRECT INVESTMENT (FDI) INFLOWS IN MALAYSIA” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you

Yours sincerely

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LETTER OF SUBMISSION

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ABSTRACT

Foreign direct investment (FDI) inflows are important for the economic contribution in Malaysia. The factors that affecting the FDI is important in explaining the economic performance of Malaysia. The result identified several significant variables in the factors that affect the FDI inflows including Gross Domestic Product (GDP), interest rate, inflation rate and exchange rate. The study is based on time series data analysis for the 30 years starting from 1984 until 2013. The area of study is about Malaysia. In the research, the dependent variable is FDI inflows in Malaysia. Meanwhile, the independent variables are GDP, interest rate, inflation rate and exchange rate. Therefore, the purpose of the study is to determine the impact of GDP, interest rate, inflation rate and exchange rate towards FDI inflows in Malaysia.

Key words: FDI inflows, GDP, interest rate, inflation rate and exchange rate.