



**THE FACTORS IMPACT TO EXCHANGE RATE
IN MIDDLE INCOME COUNTRIES**

NUR HANANI AQILLA BINTI HAIRUDDIN

2016340857

NURUL HIDAYAH BINTI ROSLI

2016629542

**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TECHNOLOGY MARA
BANDARAYA MELAKA**

DECEMBER 2018

THE FACTORS IMPACT TO EXCHANGE RATE IN MIDDLE INCOME COUNTRIES

NUR HANANI AQILLA BINTI HAIRUDDIN

2016340857

NURUL HIDAYAH BINTI ROSLI

2016629542

**Submitted in Partial Fulfilment of the
Requirement for the
Bachelor of Business Administration with Honours (Finance)**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TECHNOLOGY MARA
BANDARAYA MELAKA**

DECEMBER 2018

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITY TEKNOLOGY MARA

“DECLARATION OF ORIGINAL WORK”

I, _____, (I/C Number : _____)

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.

Signature:

Date:

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITY TEKNOLOGY MARA

“DECLARATION OF ORIGINAL WORK”

I, _____, (I/C Number : _____)

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.

Signature:

Date:

ABSTRACT

Most of analyst, economist and researchers want to know the factors that impact to exchange rate. This topic is important to economic country. So in this study focus on factors that impact to exchange rate in middle income countries. The chosen micro variables are consumer price index (CPI), export (EXPO), foreign direct investment (FDI), import (IMPO), gross domestic product (GDP), salary or wages (SAWA), and unemployment rate (UNEM) as major determine factors. The study is confined to the period of 10 years over 2008-2017 in Malaysia, Colombia, Mexico, Brazil, South Africa, Pakistan, Philippine, China, Georgia and Zambia. Those countries are middle income countries. The sources of data are from world bank data and secondary data from many previous researches. In this study using normality test, correlation test and regression test. In normality test, there have significant evidence using Levin, Lin and Shin Test. For empirical analysis after checking the data for regression method has been uses, the result found that export, import, salary and wages are significant to exchange rate while others variables are insignificant.