



THE DETERMINANTS OF HOUSE PRICE IN MALAYSIA

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JANUARY 2019

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Submitted in Partial Fulfilment of the
Requirement for the
Bachelor of Business Administration (Hons.) Finance

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KAMPUS BANDARAYA MELAKA**

JANUARY 2019

DECLARATION OF ORIGINAL WORK



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Hereby, declare that,

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

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ABSTRACT

This paper aim at finding out the determinants of house prices in Malaysia which the house price is monitor based on the house price index (HPI). The variables are considered are gross domestic product (GDP), inflation (INF) and lending rate (LR). This study required 9 years data which is equal to 33 data by quarterly for each variable from 2010 until 2018.

Methodology used for this study is using Multiple Linear Regression with series data. Thereafter, econometric test is to be conducted to observe the relationship of the independent variables with house price which is house price index (HPI). Interactive software package E-view would be used for testing and analyzing the data collected. This study is attempting to investigate there is a significant relationship between the independent variables with the house price index (HPI) and which variables contributes most to house price. Findings from previous study mostly show that gross domestic product (GDP), inflation (INF) and lending rate (LR) has a significant role in the determination of house price.

As guidance to the past research that have been done, this study will examine the relationship between impact of independent variables and house price.