

FACTORS INFLUENCING THE NATURAL GAS PRICE IN MALAYSIA

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DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSISNESS ADMINISTRATION WITH HONOURS (FINANCE) FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA

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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 degree.
- This project paper is the result of my independent work investigation, except where otherwise stated.
- All verbatim extracts have been distinguishes by quotation marks and sources of my information have been specifically acknowledged.

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LETTER OF SUBMISSION

DIAN SHAFIQA BINTI FATANAH Faculty of Business Management Universiti Teknologi Mara (UiTM) Kampus Bandaraya Melaka. 4th November 2010 **PUAN ZAINAH BINTI HAJI JALIL** Advisor of the project paper Faculty of Business Management Universiti Teknologi Mara (UiTM) Kampus Bandaraya Melaka. Dear Sir/Madam, **RE: SUBMISSION OF PROJECT PAPER** Attach here is the project paper on title "Factors Influencing the Natural Gas Price in Malaysia" to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA, Bandaraya Melaka. Thank you. Yours sincerely, DIAN SHAFIQA BINTI FATANAH

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ABSTRACT

Natural gas is a vitally important source of energy for all sectors of the economy in Malaysia. There are several factors that influence supply and demand, such as storage of natural gas, seasonality, whether, production disruptions, and oil prices.

The purpose of this study is to determine the main factor that influences the price of the natural gas in Malaysia. Furthermore, it is also conduct in order to identify the relationships between the independent variables (storage capacity, production disruptions, and oil price) and the dependent variables (natural gas price).

This study is using exploratory and descriptive research design. Moreover, the study is also use secondary data instead of primary data. There are two types of analysis in SPSS program that had been used in the study to analyze the data which is correlation and regression. In addition, this studies also using Microsoft Excel to calculate the data (to convert the natural gas price, storage capacity, production disruption, and oil price into percentage).

Throughout the study, oil prices have been validated as the most dominant factor that influences the natural gas prices. In addition, the oil prices have a positive relationship with the natural gas prices. From the overall findings, it can be concludes that the oil prices are the factors that most influence the price of the natural gas in Malaysia.

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