



**THE IMPACT OF MAIN SECTORS ON  
STOCK MARKET  
PERFORMANCE IN MALAYSIA**

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**JANUARY 2015**

## **DECLARATION OF ORIGINAL WORK**



### **BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE) FACULTY OF BUSINESS MANAGEMENT UNIVERSITY TECHNOLOGY MARA “DECLARATION OF ORIGINAL WORK”**

I, Idayu binti Norsidek, (910730-14-5838)

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: \_\_\_\_\_

## LETTER OF TRANSMITTAL

Faculty of business management  
Universiti Teknologi MARA  
75100 Bandaraya Melaka  
Melaka

1<sup>st</sup> October 2014

Dr Halimahton binti Borhan  
Bachelor of Business Administration (Hons) Finance  
Faculty of Business Management  
MARA University of Technology  
75100 Bandaraya Melaka  
Melaka

Dear Dr,

I'm required to do a project paper on the above topic. I hereby submitted this report and I really hope that this work will fulfill the requirement for the Bachelor of Business Administration (Hons) Finance.

Thank you.

Yours sincerely,

IDAYU BINTI NORSIDEK  
2012456522  
Bachelor of Business Administration (Hons) Finance

## LETTER OF SUBMISSION

Date of submission

The Head of Program  
Bachelor of Business Administration (Hons) Finance  
Faculty of Business Management  
Universiti Teknologi MARA  
75100 Bandaraya Melaka  
Melaka

Dear Dr,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled "**THE IMPACT OF MAIN SECTORS ON STOCK MARKET PERFORMANCE IN MALAYSIA**" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

IDAYU BINTI NORSEK  
2012456522  
Bachelor of Business Administration (Hons) Finance

## **ABSTRACT**

This paper aims at finding out the impact of Main Sectors on Stock Market Performance in Malaysia. The variables considered are the stock market performance by using Kuala Lumpur Composite Index (KLCI), indexes from oil and gas sector (KLOG), indexes from finance sector (KLFIN), indexes from technology sector (KLTEC) and indexes from real estate sector (KLRE). The sample of this study comprises of 61 observations each of the independent and dependent variables on a monthly basis over 5 years period from April 2009 to April 2014. Methodology used for this study is by using Multiple Linear Regression with time series data from investing site. Thereafter, econometric tests are to be conducted to observe the relationship of the main sectors of stock market variables to the stock market performance in Malaysia. Interactive software package E-view would be used for testing and analysing the data collected. The study is an attempt to investigate the relationship of the main sectors of stock market towards stock market performance in Malaysia. Findings from previous research papers mostly on developed markets indicate that main sectors of stock market do play a significant role in the determination of stock market performance in Malaysia. The results of this research paper would provide us with an indicative view and could form an important basis for investors and policy makers in their investment strategies and policy decisions respectively.