FACTORS INFLUENCING MARKET RISK OF MAYBANK BHD

NABILA HANIN BT MAZLI
2008539089

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSIT TEKNOLOGI MARA
MELAKA CITY CAMPUS

NOVEMBER 2010

DECLARATION OF ORIGINAL WORK

BACHELOR OF BUSISNESS ADMINISTRATION WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA

I declare that the work in this thesis was carried out in accordance with the regulation of University Technology MARA. 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.

Name	:	Nabila Hanin bt Mazli
I/C No	:	871120 – 14 – 5030
Thesis Title	:	The Factors Influence Market Risk of Maybank Bhd

Signature: ____________________ Date: ____________________

LETTER OF SUBMISSION

NABILA HANIN BINTI MAZLI

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 "The Factor Influence Market Risk of Maybank Bhd" to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA, Bandaraya Melaka.

Thank you.

Yours sincerely,

____

(NABILA HANIN BINTI MAZLI)

BBA (HONS.) FINANCE

TABLE OF CONTENTS

ABSTRACT

Market risk is the risk to earnings arising from changes in interest rates or exchange rates, or from fluctuations in bond, equity or commodity prices. Banks are subject to market risk in both the management of their balance sheets and in their trading operations.

The purpose of this study is to determine the main factor that influences the market risk of the Maybank Bhd. Furthermore, it is also conduct in order to identify the relationships between the independent variables and dependent variables.

Secondary data is use due to analyze the data for my research where the researcher get from the Maybank Bhd and Bank Negara Malaysia website and also from Indexmundi.com. There are two types of analysis in SPSS program that had been used in the study to analyze the data correlation and regression. In addition, this studies also using Microsoft Excel to calculate the data.

The study is done in order to find the factors that influence the market price of Maybank Bhd. Beside that, the study is also done to explain about the relationships of the factors; interest rate, exchange rate, and commodity price towards the market price.

The researcher found that the main factor influencing the market risk of Maybank is interest rate and there are two independent variable (interest rate and exchange rate) that have relationship with dependent variable (market price). But, for commodity price, there are no relationship with the dependent variable.