UNIVERSITI TEKNOLOGI MARA

FACTOR THAT AFFECT THE GROWTH OF MAAYSIAN GOVERNMENT SECURITIES

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ABSTRACT

This study investigates the effect of the Malaysian government bond yields and its sensitivity to a selected range of macroeconomic determinants. Then it is tested whether and to what extent interest rates of various maturities reflect changes in economic indicators and information from economic factors. Various methods of analysis were implied such as descriptive analysis, correlation analysis, ad regression analysis was employed to run the model and estimate the regression In whole the results of the empirical study using quarterly data from 2010 to 2020.These empirical results help investors to determine the factors that could affect the government bond yields. The findings of the studies found that exchange rate have insignificant relationship to the growth of the Malaysian Government Securities while interest rate and inflation rate have significant relationship with the growth of Malaysian Government Securities. It hopes that the study can contribute to help investor's decision making in invest into the derivative market.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

This study is undertaken to look over the impact of several factor that effect to Malaysia government Securities (MGS). This chapter will describe the problem, which includes identifying signs, analysing the condition, defining the problem, and stating study objectives of this study. To get the answer of the study, a researcher must first establish the research objectives and research questions. Research objectives describe what to be expected to gain from the research and research questions are the questions that a research project sets out to answer. They will use the symptoms to figure out the complication. Following how, researchers must decide on the unit of analysis, which varies depending on the form of study. This section includes information about the respondent as well as data collection processes. This comprises who are the respondents and methods to obtain data. The researcher must then classify the problem's related variables. This work is carried out to investigate and study the impact of this chapter will focus on the research purpose, the questions that were investigated, the purpose of the study, the limitations of the study, and the definitions of words used in the study. Lastly, the researcher states the research objectives and the research questions of the study.