



UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF INFLATION RATE, INTEREST
RATE, AND REAL GDP RATE ON VOLATILITY
OF FTSE BURSA MALAYSIA KLCI**


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ABSTRACT

In this study, the researcher investigates the impact of the inflation rate, interest rate, and real GDP rate on the volatility of FTSE Bursa Malaysia KLCI. The volatility of the Malaysia FBMKLCI Bursa Malaysia is important in determining if the FBMKLCI's value can potentially be measure over an uncertainty condition and if its correlation with macroeconomic factor. Volatility measures the dispersion of returns for a stock or market index. Potential investors will look at the FBMKLCI performance before making the decision either to invest in those indexes or not. Therefore, this study investigates the impact of the inflation rate, interest rate, and real GDP rate on the volatility of Malaysia FBMKLCI bursa Malaysia. This research includes three independent variables: inflation rate, interest rate, and real GDP for twenty years (2001-2020). This study will use Ordinary least Square (OLS) regression with Data Series analysis to achieve the possible results to analyse the data.

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LIST OF TABLES

Table	Title	Page
Table 3.1	Variable and Proxy	12
Table 4.1	Descriptive Analysis	20
Table 4.2	Correlation Analysis	23
Table 4.3	Regression Analysis	25
Table 4.4	Normality Test	28

TABLE OF CONTENT

AUTHOR'S DECLARATION	II
ABSTRACT	III
ACKNOWLEDGEMENT	IV
LIST OF TABLES	V
LIST OF FIGURES	VI
LIST OF ABBREVIATIONS	VII
CHAPTER ONE	1
1.1 INTRODUCTION	1
1.2 RESEARCH BACKGROUND	1
1.3 PROBLEM STATEMENT	3
1.4 RESEARCH QUESTIONS	4
1.5 RESEARCH OBJECTIVES	4
1.6 SIGNIFICANCE OF THE STUDY	4
1.7 SCOPE OF THE STUDY	5
1.8 LIMITATION OF THE STUDY	5
1.9 DEFINITION OF KEY TERMS	5
1.10 SUMMARY	6
CHAPTER TWO LITERATURE REVIEW	7
2.1 INTRODUCTION	7
2.2 LITERATURE REVIEW ON VOLUME OF FBMKLCI	7
2.3 LITERATURE REVIEW ON THE INFLATION RATE	8
2.4 LITERATURE REVIEW ON INTEREST RATE	8
2.5 LITERATURE REVIEW ON REAL GDP RATE	9