



**MANUFACTURING INDUSTRY'S LIQUIDITY IN RELATION TO THE  
STOCK RETURNS IN MALAYSIA**

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**JUNE 2017**

## **ACKNOWLEDGEMENT**

First of all, the research had not been successfully completed without the assistance of several people that contributed to the completion of the research project. I offer my sincerest appreciation to my advisor Madam Siti Rahayu Beli and Madam Sarmila Udin, who gave full guidance throughout the research project. The time and effort that had been given were greatly appreciated.

I am also grateful to University Teknologi Mara (UiTM) Kota Kinabalu for giving us the chance to conduct this research. From the research, I am able to sharpen my research skills and gain more knowledge and experience in handling research project. Other than that, I am also grateful to the Faculty of Business Management of UiTM for the support given throughout the process of completing the research project. The lecturers that are involved in the research project had also contributed to a great amount of knowledge. With the guidance and support, I am able to complete the research project.

I would also like to thank my parents who inspired, encouraged and give full support with their best wishes that they could ever give me.

Lastly, I would like to thank all those who supported me in any respects during the completion of the research project. Without the help, I would not have been able to complete the research project.

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## **ABSTRACT**

Liquidity is one important area that determine the investors reaction towards stock returns in the particular country. There are various study done in this area that have different results from different researchers stating that the relationship of liquidity and stock returns either negative or positive. This is because, there are many meanings and measurement on liquidity that effect the research conducted by researchers. These result will provide researchers with a more vast ideas and opinions on how to improve the measurement used to conduct research that will give a stronger and more valid results. The main purpose of the research is to study the meaning of liquidity and its relationship with stock return and to analyze the most suitable measurement for liquidity based on sample that are taken from selected companies in Bursa Malaysia over a period of 7 years from 2010 until 2016. Data will be measured using three panel estimation model which includes pooled OLS. The variables used in the research are stock returns and liquidity proxies.