



**MACROECONOMIC DETERMINANT OF PASSENGER
VEHICLE SALES IN MALAYSIA**

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ABSTRACT

The fluctuation of passenger vehicle sale in Malaysia must be influence by some factors. The purpose of this study is to examine and analyze the effect of macroeconomic determinants on the passenger vehicles sale in Malaysia. Some data had been collected between the years of 2005 until 2014. The dependent variable for this study is passenger vehicle sales while the independent variables are gross domestic product (GDP), consumer price index (CPI) and oil price (OP). Methodology used for this study is Multiple Linear Regression with Time Series Data sourced from DataStream and Malaysian Automotive Association website. The findings are in accordance with the hypothesis formulated based on the previous studies and can be a useful tools in boosting passenger vehicle sales in Malaysia.

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CHAPTER 1

INTRODUCTION

1.1INTRODUCTION

This chapter will discuss briefly about research background, problem statement, research question and objective, significant of study, scope of study, research limitation, term definition and summary of chapter 1.

Passenger vehicle is defined as a road motor vehicle, other than a motor cycle intended for the carriage of passengers and designed to seat not more than nine person including the driver. The types of passenger vehicles are including Passenger Cars, Four Wheel Drive (4WD), Sports Utilities Vehicle (SUV), Window Van and Multi-Purpose Vehicle (MPV). Passenger vehicle had been a need for almost everybody in this world. It is needed by them in executing their daily routine like as a transport to their workplace, to fetch their children from school and go to supermarket. According to (Abu-Eisheh, 2002), the demand for vehicles will influence the pattern of travel, tourism, road design and housing. Therefore, transportation is one of the important factor for economic development of a country today.