



A STUDY ON RELATIONSHIP BETWEEN INFLATION RATE, INTEREST RATE AND
POPULATION GROWTH TOWARDS HOUSING PRICE IN MALAYSIA

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JANUARY 2018

DECLARATION OF ORIGINAL WORK



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I, Nurul Azira Binti Azmimahaiddin

Hereby declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project-paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

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ACKNOWLEDGEMENT

In the name of Allah, the Most Compassionate, the Most Merciful

All praise go to Allah s.w.t for giving me strength, patience and making things possible for me to complete this project paper within the period given.

First of all, i would like to express my gratitude and deepest appreciation to my advisor Puan Rohaiza Binti Kamis for her continues support and guidance throughout finishing this project paper. Her meaningful comments and meticulous directions were a constant source of my inspiration to my research that immensely improved the quality of this project paper.

I also would like to express my gratitude to my supervisor En Zaharin and all staffs from Amanah Saham Nasional Berhad (ASNB) for their endless supports and guidance throughout in making up this project paper along with my coperation as practical student in ASNB. Thank you for all the opportunity given, trustworthy and cooperation as I complete my project paper with title "A Study On Relationship Between Inflation Rate, Interest Rate And Population Growth Towards Housing Price In Malaysia"

Finally yet importantly, my deepest gratitude and thankfulness to my beloved parents for their endless support, love and prayer which mean thousands of gratefulness to me. Not to forget, great appreciation goes to the rest of my friends that help me from time to time through completion of this project paper

ABSTRACT

This study aims to examine the factors affecting Housing Price in Malaysia from 2006 until 2016. The continuous increase of housing price in Malaysia is becoming one of the hot issues discussed these days. Thus, this study would like to investigate the significant relationship among the housing price and independent variables namely Inflation Rate (CPI), Interest Rate (LR), and Population Growth (PG) that affect the housing prices in Malaysia (HPI). Ordinary Least Square (OLS) method is implemented to this study and interactive software package E-views would be used for testing and analyzing the data collected. This study will be done based on quarterly time series data over the period from 2006 Quarter 1 until 2016 Quarter 4 with 44 total observations. The findings benefit various parties such as investors, policy makers, housing developers, speculators and home buyers. The results concluded that Interest Rate (LR), and Population Growth (PG) have the major effects in determining the housing price.

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