



**COLLEGE OF BUILD ENVIROMENT
UNIVERSITI TEKNOLOGI MARA**

**ASSESSING THE ECONOMIC INDICATORS THAT
INFLUENCE THE RESIDENTIAL PROPERTY
PRICE IN KUALA LUMPUR**

**Academic Project Submitted in Partial Fulfilment of the Requirements
for the award of the Degree
Bachelor of Estate Management (Hons)**

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STUDENT'S DECLARATION

Title of Academic Project :

ASSESSING THE ECONOMIC INDICATORS THAT
INFLUENCE THE RESIDENTIAL PROPERTY
PRICE IN KUALA LUMPUR

I hereby declare that this academic project is the result of my own research except
for the quotation and summary which have been acknowledged.

Signature :

Name of Student : Ahmad Syahmi Haziq Bin Ahmad Shukri

Date : 12 July 2025

SUPERVISOR'S DECLARATION

Title of Academic Project :

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Signature :

Name of Supervisor : Miss Nurulanis Binti Ahmad @ Mohamed

Date : 12 July 2025

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ABSTRACT

In recent years, the increase in residential property prices has become a growing concern globally. Malaysia is no exception, with housing prices rising faster than household income, especially in urban areas such as Kuala Lumpur. This imbalance has led to significant affordability issues. While the topic has received attention, limited research has been conducted on the relationship between macroeconomic indicators and residential property prices in Kuala Lumpur over an extended period. This study aims to investigate the relationship between selected economic indicators, namely inflation, interest rate, gross domestic product (GDP), unemployment rate, and the Kuala Lumpur Housing Price Index (HPI) from 2014 to 2024. Using a quantitative approach, secondary data were collected from Bank Negara Malaysia (BNM), the Department of Statistics Malaysia (DOSM), and the National Property Information Centre (NAPIC). Multiple Regression Analysis (MRA) was employed to determine the extent to which these indicators influence housing prices. The results reveal that inflation and interest rates have a significant positive effect on HPI, while GDP shows a significant negative relationship. Unemployment rate was excluded from the model due to multicollinearity issues. This study provides valuable insights into how macroeconomic conditions shape the housing market in Kuala Lumpur. The findings are expected to assist policymakers, real estate professionals, and investors in making more informed decisions and developing strategies to improve housing affordability and market stability.

Keywords: Economic Indicators, Residential Property Price, Kuala Lumpur