FACTORS THAT AFFECTING OIL PRICE IN MALAYSIA

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DECLARATION OF ORIGINAL WORK

I am hereby declaring that:

(1) This research study is the final result my own original work and being supported by citation that has been acknowledged as the sources of references and information.

(2) This study is the project that I'm originally done with the support from various numbers of previous published research studies from the Internet and library.

(3) The word count of this research study is 15599 words.

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ABSTRACT

This research is to study about the Factors that Affecting Oil Price in Malaysia. There are four independent variables that have been choosing for this research. The independent variables are inflation (IF), exchange rate of currency (EC), gross domestic product (GDP) and trade balance (TB). This research use time series data between the years 1988-2016 which the total number of observation is 29 years. Multiple linear regression models have been applied to study the relationship between independent variables and dependent variable. From the empirical result off equation has shown that only inflation and trade balance significantly affects oil price. However, exchange rate of currency and gross domestic product show an insignificant relationship on oil price.

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