



DETERMINANTS OF SAVINGS RATE IN MALAYSIA

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LETTER OF SUBMISSION

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Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**THE DETERMINANTS OF SAVINGS RATE IN MALAYSIA**” to fulfill the requirement as needed by the Faculty of Business Management, University Technology Mara.

Thank you.

Your sincerely,

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ACKNOWLEDGMENTS

“IN THE NAME OF ALLAH, THE MOST GRACIOUS AND MOST MERCIFUL”

Alhamdulillah, praise be to Allah, with His love and guidance, I managed to finish up my project paper under the topic “A Study on Determinants of Savings in Malaysia”.

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ABSTRACT

The objective of the study is to investigate the relationship between demographic, gross domestic product and inflation rate to the savings rate in Malaysia. Simple Linear Regression and Multiple Linear Regression are used in this study to find the relationship among these variables. The data collected is in yearly basis from year 1974 until year 2012. The results reveal that only GDP has positive significant relationship towards gross savings in Malaysia. Other variables which are age-dependency ratio and inflation rate have insignificant relationship towards gross savings rate in Malaysia. These results broaden our understanding of the relationship between variables chosen to savings rate in Malaysia.

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