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UNIVERSITI
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**THE IMPACT OF OIL PRICE AND OTHER MACROECONOMIC VARIABLES
ON MALAYSIA STOCK MARKET**

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ABSTRACT

This study is an attempt to determine the impact of the macroeconomic activity with the stock price in Malaysia. It considers the monthly data of the macroeconomic variables that is crude oil price, consumer price index and crude oil price from January 2000 until December 2013. The Descriptive Statistic, Unit Root Test, Lag Determination, Cointegration Test and Vector Error Correction Model (VECM) was used to study the relationship between stock price and the 3 selected macroeconomic variable which are Crude Oil Price(COP), Consumer Price Index (CPI) and Exchange Rate (EXC). In this research, the researcher is using STATA system to run monthly basis time series of data from the dependent and independent variable. In general, all the listed macroeconomic variables are significant at 1% significant level. Crude oil prices (COP) have positive significant relationship towards stock price, while Exchange rate (EXC) and Consumer Price Index (CPI) shows a negative significant relationship with the stock price. The major finding is that macroeconomic variables give an impact to the stock price.