



THE DETERMINATION OF HOUSING PRICE FACTORS IN MALAYSIA

Prepared by:

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SEGAMAT, JOHOR

SEPTEMBER 2014

LETTER OF SUBMISSION

7th DECEMBER 2014

Mdm Nur Liyana Bt Mohamed Yousop.
Department of Finance
Scholl of Business and Management
UITM Johor, Segamat, Johor
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Johor, Malaysia.

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper **titled “The Determination Of Housing Price Factors In Malaysia.”** to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

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**Submitted in Partial Fulfilment
Of the Requirement for the
Bachelor of Business Administration (Hons) Finance**

**Faculty of Business Management
Universiti Teknologi Mara
Segamat, Johor.**

SEPTEMBER 2014



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“DECLARATION OF ORIGINAL WORK”

I, Noor Nadzhira Hanim Binti Yacob (I/C Number: 910319 – 10 – 5940)

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: _____

Date _____

ABSTRACT

House can be define as a place that provide a shelter or accommodation and a building in which people meet for a particular activity. Malaysia as a developing country has obtained benefits from the development of housing industry. Over the past few years, housing price in Malaysia experienced significant price expansion with higher rates throughout Malaysia. Therefore, sudden price change could affect home ownership to some extent. Under any circumstances, the need for housing is a basic necessity persists. The objective is to determine the relationship between prices movements households income, stock price, cost of construction, population change, Gross Domestic Product (GDP), and interest rates. This study is using quarterly time series data from January 2005 until December 2013. The multiple linear regressions were used in this study to analyse the relationship between independent variable (population change, Gross Domestic Product (GDP), households' income and interest rates) towards dependent variable (affordability in purchasing housing in Malaysia). The expect findings suggest that the movement of housing price in Malaysia is determined by changes in population change, Gross Domestic Product (GDP), households' income and interest rates.