



**TESTING OF WEAK FORM EFFICIENCY ON BURSA MALAYSIA'S
SELECTED INDEXES**

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**BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS
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FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MALACCA CITY CAMPUS**

JANUARY 2018

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**Submitted in Partial Fulfillment of the
Requirement for the
Bachelor of Business Administration with Honours (Finance)**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MELAKA CITY CAMPUS**

JANUARY 2018

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

“DECLARATION OF ORIGINAL WORK”

I, W NURLIANA AIDA BINTI W MHD KAMAL, (I/C Number: 951208-14-5158)

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: _____

LETTER OF TRANSMITTAL

January 2018

Dr. Fahmi bin Abdul Rahim

Bachelor of Business Administration (Hons) Finance,

Faculty of Business Management,

Universiti Teknologi MARA, Melaka City Campus,

110 Off Jalan Hang Tuah, 75300 Melaka.

Dear Sir / Madam,

SUBMISSION OF FINAL PROJECT PAPER

Attached is the project paper title **“TESTING OF WEAK FORM EFFICIENCY ON BURSA MALAYSIA’S SELECTED INDEXES”** to fulfil the requirement needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You,

Sincerely,

W NURLIANA AIDA BINTI W MHD KAMAL

2015140785

Bachelor of Business Administration (Hons.) Finance

ABSTRACT

The purpose of this study is to investigate the existence of Efficient Market Hypothesis (EMH) in Bursa Malaysia's selected indexes. However, this study is only testing the weak form of EMH. The indexes chosen for this research is Emas, Mids Cap, Small Cap and Top 100 Index. The data was collected in for each index for daily basis from year 2013 to 2017. This study used Autoregressive Model to regress the previous return index with the current return index. Tests employed for this study includes descriptive analysis, test for estimated empirical model, stationary tests and diagnostic tests. Result of this study reveals that for daily data, all of the indexes have significant relationship which can be concluded as inefficiently weak. All the data for indexes can be concluded as inefficiently weak. These results provide understanding towards investors, analysts and regulator in dealing with Efficient Market Hypotheses.