MACROECONOMIC VARIABLES OF AIRASIA BERHAD STOCK RETURN

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2015278788

BACHELOR OF BUSINESS ADMINISTRATION WITH

HONOURS (FINANCE)

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JANUARY 2018

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

FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
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JANUARY 2018

DECLARATION OF ORIGINAL WORK

BACHELOR OF BUSINESS ADMINISTRATION WITH
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"DECLARATION OF ORIGINAL WORK"

I, WAN NURUL NABILA BINTI WAN ZAIDI, (IC Number: 940528065778)

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 SUBMISSION

The Head of Program
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi Mara
Kampus Bandaraya Melaka
75300 Melaka.

Dear Sir/Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "Macroeconomic Variables of AirAsia Berhad Stock Return" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA, Kampus Bandaraya Melaka. The purpose of this study is to investigate the macroeconomic factors which influence Stock Return of AirAsia Berhad.

Thank You.

Yours sincerely,

WAN NURUL NABILA BINTI WAN ZAIDI
2015278788
Bachelor of Business Administration (Hons) Finance

ABSTRACT

This paper discussed the relationship of USD Exchange Rate, Crude Oil Price and Leverage towards Stock Return of AirAsia Berhad. The period of study is from 1st Quarter of 2005 until 4th Quarter of 2016 which consists of 12 years. Time series data is used in this study. Several test run on the data to ensure that the model developed and the result produced would be reliable. All the variables used in this study passed all the test. Multiple Linear Regression analysis is used in determining the relationship between variables in this study. In conclusion, this study revealed that there is insignificant relationship of USD Exchange Rate and Leverage towards Stock Return of AirAsia Berhad. Meanwhile, there is significant and positive relationship between Crude Oil Price and Stock Return of AirAsia Berhad.