



**THE INTERACTIONS AMONG GOLD, OIL, AND STOCK MARKET: EVIDENCE FROM
KUALA LUMPUR COMPOSITE INDEX (KLCI)**

SITI NUR FARAHIM BINTI AZMI

2014263828

BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

SEGAMAT, JOHOR

DECEMBER 2016

**THE INTERACTIONS AMONG GOLD, OIL, AND STOCK MARKET: EVIDENCE FROM
KUALA LUMPUR COMPOSITE INDEX (KLCI)**

SITI NUR FARAHIM BINTI AZMI

2014263828

**Submitted In Partial Fulfillments of the Requirement For The
Bachelor of Business Administration
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT
UN IVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR**

DECEMBER 2016



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR**

DECLARATION OF ORIGINAL WORK

SITI NUR FARAHIM BINTI AZMI

2014263828

I 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 results 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

29th DECEMBER 2016

Faculty of Business Management

Universiti Teknologi MARA

85009 SEGAMAT

JOHOR DARUL TAKZIM

Dear Sir/Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**The interactions among gold, oil, and stock market: evidence from kuala lumpur composite index (KLCI)**” to fulfil the requirement for Bachelor of Business Administration (Hons) Finance as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

SITI NUR FARAHIM BINTI AZMI

2014263828

Bachelor of Business Administration (Hons) Finance

ABSTRACT

During the crisis in 2008, typical stock price decline and makes investor worried. Crisis in one country will be immediately followed by other countries in regional, because of stock price declining and crisis duration, Patel and Sarkar (1998). In this study, the focus is on the interactions between financials and commodity market. This is the biggest issues faced by investors because irregular price in one market might be effect the price index of other market. Furthermore, Korhan and Negar (2015) states that the price of gold and oil has a great impact on financial movement and all sectors of US economy.

The purpose of this study is to investigate whether stock market (KLCI) has interactions between gold price volatility and oil price volatility. This research paper used regression analysis to find out the result. The data are taken from Yahoo finance data stream. In order to determine the results, the researcher use time series analysis. The data are collected from year 2011 to 2016.