THE DETERMINANTS OF HOUSEHOLD DEBT IN MALAYSIA

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MELAKA

JULY 2019

DECLARATION OF ORIGINAL WORK

BACHELOR OF BUSINESS ADMINISTRATION

WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

"DECLARATION OF ORIGINAL MARA"

I, <u>ABU NIDAL JOHAN BIN ABD AZIZ</u>, (I/C Number : <u>950710-01-7341</u>)

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: 05th July 2019

LETTER OF TRANSMITTAL

JULY 2019

MADAM NUR HAFIDZAH BINTI IDRIS

Lecturer

Bachelor of Business Administration with Honours (Finance)

Faculty of Business Management

Universiti Teknologi MARA

75300 Melaka

Dear Madam,

Submission of Project Paper

Attached is the project paper titled:

"**THE DETERMINANTS OF HOUSEHOLD DEBT IN MALAYSIA**"

To fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You

Yours Sincerely,

…………………………..

ABU NIDAL JOHAN BIN ABD AZIZ

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Bachelor of Business Administration (Hons) Finance

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ABSTRACT

Household debt is the one of the important matters that need to be look seriously and done carefully. An error happen in managing household debt can lead to financial distress and bankruptcy. The aim of this study is to determine the factors of influencing rising in household debt in Malaysia between the variables which is population growth, interest rate, inflation rate, housing price index and household income. This study is using time series data for the period of thirty years starting from year 1987 to the year 2017. The regression analysis is employed to investigate whether the five variables construct will have a relationship with the determinants of household debts in Malaysia.