

**UNIVERSITI TEKNOLOGI MARA**

**THE RELATIONSHIP OF  
MACROECONOMIC VARIABLES  
AND REAL ESTATE DISTRIBUTION  
YIELD IN MALAYSIA**

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2016653388**

**BBA (Hons) INVESTMENT**

**June 2018**

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Final Year Project Paper submitted in fulfillment  
of the requirements for the degree of  
**Bachelor of Business Administration  
(Investment)**

**Faculty of Business and Management**

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## **AUTHOR'S DECLARATION**

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


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## **ABSTRACT**

Real Estate Investment Trusts (REITs) has already reached its twenty nine years in the stock market industry. As in 2018, eighteen companies were listed in the REITs market. Even though the market is well established, Malaysian investors seems to have less interest to invest in REITs. One of the main issues is lack of past information and research on the REITs in Malaysia especially when it relates to the macroeconomics variables. Thus, this study was conducted in order to investigate the relationship between macroeconomics variables and real estate distribution yield in Malaysia. The significance of this study are to give more exposure and interest to the Malaysian investors towards REITs. This study selected nine listed REITs companies in Bursa Malaysia from 2010 until 2017. Moreover, descriptive analysis and multiple linear regression analysis were used as method of the study. The findings of this study showed that inflation rate has the most significant relationship with distribution yield. Meanwhile, gross domestic product, interest rate, and KLCI index showed positively significant relationship.

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