



**THE RELATIONSHIP OF GROSS DOMESTIC PRODUCT,
INFLATION AND CORRUPTION TO FOREIGN DIRECT
INVESTMENT IN SELECTED ASEAN COUNTRIES**

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JUNE 2015

DECLARATION OF ORIGINAL WORK



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“DECLARATION OF ORIGINAL WORK”

I, NORHAFIZAH BINTI NAZARUDIN, (I/C Number: 920908-05-5338)

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

30th June 2015

Head of Program
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Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**THE RELATIONSHIP OF GROSS DOMESTIC PRODUCT, INFLATION, AND CORRUPTION TO FOREIGN DIRECT INVESTMENT IN SELECTED ASEAN COUNTRIES**” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

Norhafizah binti Nazarudin
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ABSTRACT

The aim of this study is to investigate the relationship of Gross Domestic Product, inflation, and corruption to the Foreign Direct Investment in five selected ASEAN countries which are Malaysia, Singapore, Thailand, Indonesia and Philippines. The study has used Panel Regression Model in order to discover the relationship between Gross Domestic Product, inflation, corruption and Foreign Direct Investment. The annual percentage of each variable starting from 2005 until 2014 is gathered in order to run test in this study. Based on the result, only gross domestic product has a significant positive relationship towards Foreign Direct Investment in five ASEAN countries Malaysia, Singapore, Thailand, Indonesia, and Philippines. It is shows that, the changes in Gross Domestic Product will make changes in Foreign Direct Investment. These results will make foreign investor and speculators to become more understand about the relationship of Gross Domestic Product, inflation and corruption to the Foreign Direct Investment.