



# **THE IMPACT OF FDI ON MALAYSIA ECONOMIC GROWTH**

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**JANUARY 2020**

## **Abstract**

Malaysia has shown a remarkable progress in its economic growth in the past decade. However, the economic growth in Malaysia has cause foreign direct investment (FDI) volatile in the market. The main objective of this research is to analyse the impact of FDI on Malaysia economic growth proxied by real gross domestic product (GDP), foreign direct investment (FDI), gross fixed capital formation (DI), population growth (POP), and trade openness (TO). Analysis was done using Autoregressive Distributed Lag Model (ARDL) bound test approach with the period range of study was from 1970 until 2018. The empirical results also show with focus on FDI macroeconomic could improves the growth of economic and give a positive significant result in Malaysia. One policy recommendation is with the corporation from government agencies can enhance the economic growth and also can improve the stability in the economy.

## Declaration of Original Work



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'DECLARATION OF ORIGINAL WORK'**

I, MUHAMMAD AZIM BIN HALIZAM, (2017690108)

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, any 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**

16 JANUARY 2020

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Sir,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “**The Impact of FDI on Malaysia Economic Growth**” to fulfill the requirement as needed by the Faculty of Business and Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

**MUHAMMAD AZIM BIN HALIZAM**

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Bachelor of Business Administration (Honours) Finance

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