



**ECONOMIC DETERMINANTS UNEMPLPOYMENT IN  
MALAYSIA**

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**JUNE 2016**



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**SEGAMAT, JOHOR**

**DECLARATION OF ORIGINAL WORK**

**NUR HAFIZAH BINTI LATFI**

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We are here by, 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 our independent work and investigation, except where otherwise stated.

☐ ☐ All verbatim extracts have been distinguished by quotation marks and sources of our information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: 29<sup>th</sup> JUNE 2016

## LETTER OF SUBMISSION

Lecturer of Research Methodology

Faculty of Business Management

Universiti Teknologi MARA

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JOHOR DARUL TAKZIM


Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**Economic Determinants of Unemployment in Malaysia**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely



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NUR HAFIZAH BINTI LATFI

2013567947

Bachelor of Business Administration (Hons) Finance

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Thank you.

## **ABSTRACT**

This study is an investigation to find out the relationship of the economic determinants that affecting unemployment rates in Malaysia. Four variables are used in this study for finding the determinants of unemployment. Variable unemployment rate is used as dependent variable while independent variables are Gross Domestic Product (GDP), Consumer Price Index (CPI), Foreign Direct Investment (FDI), Balance of trade (BOT) Time series data for the period of 1984 to 2015 was used for finding the determinants of unemployment in Malaysia. Methodology used for this study is by Multiple Linear Regression with time series data sourced came from DataStream data. Interactive software package E-view would be used for testing and analyzing the data collected. The study is an attempt to find out the relationship of the macroeconomics variables towards influencing unemployment rate in Malaysia.