

UNIVERSITI TEKNOLOGI MARA

**THE DETERMINANTS OF MACROECONOMICS
TOWARD GOLD PRICE IN MALAYSIA: BEFORE
AND AFTER FINANCIAL CRISIS**

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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

This research aims to study the relationship between the determinants of macroeconomics toward gold price in Malaysia: before and after financial crisis. Among macroeconomic factors (independent variables) for this study are inflation rate, price of silver, Brent crude oil, currency exchange rate (USD/MYR), money supply (M2) and Dow Jones index in monthly period from year 2007 to year 2018. The objectives of this study is to identify if there any significant different between gold price before and after financial crisis, considering all of the significant variables that are accumulated for the variation of price of gold. This study used multiple linear regressions (MLR) to determine macroeconomic factors toward price of gold in Malaysia, correlation coefficient to analyse the relationship among variables, checked on the assumption and all the data were analysed using e-views. The result between prices of silver shows a positive significant relationship with low impact on the price of gold. The Brent crude oil shows a negative significant relationship and high effect on the price of gold in Malaysia. Results show a positive significant relationship between currency exchange rate and high effect on price of gold. But, there is a negative significant relationship between Dow Jones index and high effect on the price of gold.

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