



**THE MACROECONOMIC FACTORS THAT  
INFLUENCE ECONOMIC GROWTH IN  
MALAYSIA**

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**DECEMBER 2013**

## **ACKNOWLEDGEMENTS**

I am grateful to ALLAH S.W.T for giving me the chance to complete this project paper to fulfill the requirement of the faculty.

I wish to express my sincere thanks to Dr. Azizah binti Daut, my advisor at UiTM Johor Bahru. I am grateful and indebted to her expertise, sincere and valuable guidance and encouragement given to me.

I also thank my parents for their continuous encouragement and support. And also thank to all who, directly or indirectly, have given their advises in this project paper.

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**ABSTRACT**

This research work explores the influence of macroeconomic indicators such as unemployment rate, export, import and government expenditure on the economic growth of Malaysia in the light of 23 years data, for the period of 1990 to 2012. This research employs secondary data and the Ordinary Least Square (OLS) Regression Technique is used to analyze the data. Econometric model used for the analysis consists of GDP as the dependent variable while the independent variables are unemployment rate, export, import and government expenditure. The results concluded that export and unemployment rate have negative relationship with economic growth, while import and government expenditure have positive relationship with Malaysian economic growth. Based on the result, it is recommended that the government should focus more on the indicators that give good impact to the economic growth in Malaysia.