

UNIVERSITI TEKNOLOGI MARA

**EMPIRICAL ANALYSIS TOWARDS STOCK
MARKET MOVEMENTS IN MALAYSIA**

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ABSTRACT

This paper aims to analyse the relationship between performances of stock market in Malaysia with several macroeconomics variables. The study is conducted to determine the performance of Malaysia stock market. The researcher used five independent variables that affect the performance of market stocks in Malaysia which are exchange rate, palm oil price, interest rate and money supply. Data for observation collected through many sources such as Bank Negara Malaysia, Article from emerald group publishing limited and other website. This research covering data for 6 years monthly time-series data starting from January 2013 until September 2018. Data were analysed using E-views.

By applying the descriptive test, it shows that only money market reacts to the stock market movement. While performing the augmented dickey fuller test, its shows that all variables are significant to the dependant variable. For correlation test, the exchange rate and money market are reacts to the stock market movement. Lastly, all the variable series are reacts to the dependant variable when doing multi-regression analysis. The result conclude that the exchange rate, crude palm oil and interest rate have a positive and negative relationship relatively towards the stock market movement. But, this research also indicate that money market have significant relationship with stock market movement.

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