

**UNIVERSITI TEKNOLOGI MARA**

**DETERMINANTS THE RELATIONSHIP  
BETWEEN THE MACROECONOMIC AND  
HOUSING PRICE IN MALAYSIA**

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## **ABSTRACT**

This study aims to examine the determinants of Housing Price in Malaysia. The continuous increase of housing price in Malaysia is becoming one of the hot issues discussed these days. Thus, this study would like to investigate the significant relationship among the housing price and macroeconomics variables that affect the housing prices. The macroeconomics variables chosen are gross domestic product, interest rate, exchange rate, unemployment rate, population growth and net income in Malaysia. Decriptive analysis, Test for Stationary, Normality Test, Correlation Analysis, Autocorrelation Test, Heteroscedasticity Test, Test of Functional and Multi Linear Regression model are the method implemented to this study. This study will be done based on annually time series data over the period from 1989 until 2019 with 30 observations. The findings benefit various parties such as investors, policy makers, housing developers, speculators and home buyers. The results concluded that gross domestic product, interest rate, net income and unemployment rate have the major effects in determining the housing price.

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