

**THE RELATIONSHIP BETWEEN SHARE PRICE AND  
SHAREHOLDERS' EQUITY  
FOR  
COMPANIES LISTED UNDER THE MAIN BOARD OF  
THE BURSA MALAYSIA BERHAD**

by

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## ABSTRACT

This study empirically investigates the relationship between share price and shareholders' equity of companies that are listed on the Bursa Malaysia Berhad. The companies chosen are the ones that make up the group of one hundred companies included in the then Kuala Lumpur Stock Exchange Composite Index. The study was conducted using the sample of fifty-five (55) companies listed under the Main Board that are selected based on the availability of data on the two variables namely, share price and shareholder's equity, at the Kuching branch of the Bursa Malaysia Berhad. The finding shows that there is evidence to indicate that the two variables are related. Granted that the study may seem simplistic, but the fact that no study has been conducted in Malaysia on this topic render the finding significant. That is not to stress that the findings are absolute especially in the knowledge that the sample is relatively small, but nevertheless it is indicative. Admittedly, this study does have its own shortcomings, and the limitations and suggestions for future research are provided in the full text of the report.

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## LIST OF FIGURES

		<b>Page</b>
Figure 2.1	Determinants of share price	20
Figure 2	Histogram showing skewness of 1997 share price	Appen. C
Figure 3	Histogram showing skewness of 1997 s/holders' equity	Appen. C
Figure 4	Histogram showing skewness of 1998 share price	Appen. C
Figure 5	Histogram showing skewness of 1998 s/holders' equity	Appen. C
Figure 6	Histogram showing skewness of 1999 share price	Appen. C
Figure 7	Histogram showing skewness of 1999 s/holders' equity	Appen. C
Figure 8	Histogram showing skewness of 2000 share price	Appen. C
Figure 9	Histogram showing skewness of 2000 s/holders' equity	Appen. C
Figure 10	Histogram showing skewness of 2001 share price	Appen. C
Figure 11	Histogram showing skewness of 2001 s/holders' equity	Appen. C
Figure 12	Histogram showing skewness of 2002 share price	Appen. C
Figure 13	Histogram showing skewness of 2002 s/holders' equity	Appen. C

## TABLE OF CONTENTS

	Page
Abstract	i
Acknowledgement	ii
List of Tables and List of Figures	iv & v

## CHAPTERS

### 1 INTRODUCTION

1.0	Introduction	1
1.1	Problem Statement	3
1.2	Objective of the study	3
1.3	Significance of the study	4
1.4	Structure of discussion	5

### 2 LITERATURE REVIEW

2.0	Introduction	7
2.1	So what actually is a share?	7
2.2	What is shareholders' equity?	9
2.3	Factors affecting share prices	11
2.4	Conceptual model for the current study	18

### 3 RESEARCH METHODOLOGY

3.0	Introduction	22
3.1	The population	22