



**UNIVERSITI TEKNOLOGI MARA**

**DETERMINANTS OF EXCHANGE RATE:  
EVIDENCE IN SELECTED ASIA COUNTRIES**

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Final Year Project Paper submitted in fulfillment  
of the requirements for the degree of  
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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 tried to examine the relationship between exchange rate and determination of affecting it. The determination is economic growth, total central government debt, total trade volume and political stability index. The sample of this research is used in selected Asia country which Malaysia, Singapore, Japan and Georgia. The research covered for 15 years annually from 2002 to 2016 and the data collected from World Bank Indicator (WDI). The model research for this paper is pooled ordinary least square and using EViews 10 software. The result from previous literature review there are some variables that have positive relationship and there is also negative relationship. There are variables that not only studied on exchange rate, but it gives impact towards other dependent variable such as for political stability the previous study more examines on foreign development investment (FDI), economic growth, financial performance and other studies. However, this research undertake research with some limitation and hence some recommendations are being presented for the policymaker and other academicians. In summary, this research paper could be adopted by government, investors, traders and other people who in the international market.

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