UNIVERSITI TEKNOLOGI MARA

DETERMINANTS OF HOUSEHOLD DEBT IN MALAYSIA

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Bachelor of Business Administration (Hons)
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AUTHOR'S DECLARATION

I declare that the work in this thesis 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 Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

Household debt levels have increase quickly in Malaysia over specific amount of time. This research paper discusses how the economic factors can influence the household debt. Lower financial gain households could become susceptible to rising debt service over time. This paper analyses the impact of economic factors on household debt in Malaysia. The result can show the response of economic factors influencing the household debt depends on the relationship between the dependent variable and independent variable. The mode of empirical method is Ordinary Least Square with multiple regressions that applied to statistic information span from year 1995 to 2019. The data can be obtained from World Bank. The economic factors being chosen are Gross Domestic Product, lending interest rate, private consumption, inflation rate and unemployment rate. These determinants are examined to analyse the household debt impact caused by the economic factors.

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