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ISLAMIC BANKING
(JBM 229)**

**INFLUENCES OF FINANCIAL FACTORS ON ISLAMIC REIT
PERFORMANCE : AL-AQAR, KPJ**

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ABSTRACT

A REIT is a collective investment scheme where funds from investor are pooled and invested toward a specified goal as a set out in the investment objective of the fund. In addition, a REIT is a fund that invests in a portfolio of real estate assets. The purpose of the study is to empirically examine the influence of financial factors on the performance of Al-Aqar REIT in KPJ. The financial factors that will be calculated based on liquidity ratio, activity ratio, debt ratio and profitability ratio of KPJ. The methods used are regression line, unit root test also applied and the assumption of error term. The data used are collected from 2006 until 2011 from the KPJ's annual report. The expected results are higher liquidity ratio, lower debt ratio, higher market ratio and higher profitability ratio.

Keyword : Al-Aqar, Islamic REIT.

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TABLE OF CONTENT

No.	Topic	Pages
1.	Abstract	i
	Acknowledgement	ii
	Table Of Content	iii
	Submitted Of Partial Fulfillment	v
	Declaration Of Submission	vi
	Letter Of Submission	vii
	List Of Figure And Abbreviation	viii
2.	<u>Chapter 1</u>	
	1.0 Introduction	1
	1.1 Background Of Study	3
	1.2 Problem Statement	4
	1.3 Research Question	7
	1.4 Research Objective	8
	1.5 Summary	9
3.	<u>Chapter 2</u>	
	2.0 Literature Review	10
	2.1 Summary	14
4.	<u>Chapter 3</u>	
	3.0 Introduction	15

LIST OF FIGURE

Figure 1 : Therotical Framework

TABLE OF ILLUSTRATION

Table 1 : Unit Root Test

Table 2 : Ordinary Least square

Table 3 : Jacque-Bera (J-B) Test

Table 4 : Breusch-Godfrey Serial Correlation LM Test

Table 5 : Heteroskedasticity Test: White

Table 6 : Variance Inflation Factors

LIST OF ABBREVIATIONS

REIT : Real Estate Investment Trust

CR : Current Ratio

ROA : Return On Asset

DR : Debt Ratio

TATO : Total Asset Turn Over

ADF : Augmented Dickey- Fuller

PP : Philips- Peron

OLS : Ordinary Least Square

VIF : Variance Inflation Factors