



اَوْنُوْرْسِيْتِي تِكْنُوْلُوْجِي مَارَا

UNIVERSITI TEKNOLOGI MARA  
CAWANGAN KELANTAN

**'A STUDY ON THE RELATIONSHIP OF THE MACROECONOMIC  
VARIABLES TOWARDS THE PRICE PERFORMANCE OF  
MALAYSIAN COCOA BEAN'**

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## Letter of Transmittal

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25 September 2005

The Head of Program  
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Dear Sir

Submission of Project Paper (FIN 660)

Attached is the project paper titled **“A Study on the Relationship of Macroeconomic Variables Towards the Price Performance of Malaysian Cocoa Bean”** to fulfill the requirement as needed by the Faculty of Business Administration (hons) Finance, University Technology Mara Machang Campus.

Thank You

Yours Sincerely



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## ABSTRACT

This study is undertaken to investigate the relationship of exchange rate volatility, inflation rate and interest rate towards the price performance of Malaysian cocoa bean. The objective of this study is to find the relationship between dependent and independent variables. The researcher decided to take coca bean price as dependent variable, while exchange rate (Yuan), inflation rate and interest rate as independent variables. For this study, secondary data are used and the entire data are taken based on the monthly data basis from January 2000 until May 2004. At the end of this study, the researcher results show that the exchange rate (Yuan) fluctuation has negative relationship with the price performance of cocoa bean. Meanwhile inflation rate and interest rate have positive relationship with the Malaysian price of cocoa bean.

**TABLE OF CONTENTS**

<b>DECLARATION OF ORIGINAL WORK</b>	<b>i</b>
<b>LETTER OF SUBMISSION</b>	<b>ii</b>
<b>ACKNOWLEDGEMENT</b>	<b>iii</b>
<b>ABSTRACT</b>	<b>iv</b>
<b>LIST OF ABBREVIATIONS</b>	<b>v</b>
<b>LIST OF TABLES</b>	<b>vi</b>
<b>TABLE OF CONTENT</b>	<b>vii</b>
 <b>CHAPTER 1</b>	
1.0 INTRODUCTION	
1.1 Background of the Study	1
1.2 Problem Statement	4
1.3 Objective of the Study	5
1.4 Scope of the Study	6
1.5 Theoretical Framework	7
1.6 The Hypothesis	8
1.7 Significant of the Study	10
1.8 The Limitation of the Study	11
1.9 The Definition of Term	12
 <b>CHAPTER 2</b>	
2.0 LITERATURE REVIEW	
2.1 Exchange Rate	14
2.2 Inflation Rate	20
2.3 Interest Rate	24
 <b>CHAPTER 3</b>	
3.0 RESEARCH METHODOLOGY	
3.1 Data Collection	25