



FOREIGN DIRECT INVESTMENT AND CURRENCY EXCHANGE: WHICH  
ONE HAS BIGGER EFFECT ON MALAYSIA EXPORT PERFORMANCE?

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## **ABSTRACT:**

This study is made to investigate the impact of FDI and Currency Exchange Rate on Malaysia Export Performance. The main objective of this study is to test which independent variables will effects more on Malaysia Export Performance based on multiple-regression model. The time series data of FDI and currency exchange rate along the period 1980 to 2010 are being used in this regression process and the test is based on the ADF and OLS test method. However, the result of this study shows that the currency exchange rate is impact more on export than FDI. Besides, both of independent variables (FDI and currency exchange) have a positively significant relationship with export performance and it is supported by the previous study that made by other researches. All of the estimation had been tested by using E-views 7 software.

**Keywords:** Foreign Direct Investment Inflow, Currency Exchange Rate, Export, OLS, ADF and Multiple Regression Model.