



**INTER-COUNTER LINKAGE IN BURSA MALAYSIA
RETURNS FROM PERIOD 1997 – 2007**

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ABSTRACT

This study is to investigate the linkages among daily stock returns of the Bursa Malaysia counters over the period January 24, 1997 to January 26, 2007. It is to examine the existence of the dynamic causal linkages in stock return of the dynamic causal linkages in stock return of the selected 27 counters in the Main Board of Bursa Malaysia. The counters selected are taken from the nine industry consist of trading/services, consumer product, finance, infrastructure, industrial product, properties, construction, plantation and technologies. The Granger Causality Test is the method used to test the variables. It is use the daily stock prices of the Bursa Malaysia counters in order to get the daily closing returns. The data were taken in a daily basis for ten years. It shows the positive result of the finding which is successfully establishing the existence of the counter-counter linkage in stock returns among the selected counters. The findings showed positively existence of bidirectional causality and unidirectional causality inter-relationship of the counters' return.