THE EFFECT OF 14TH GENERAL ELECTION TOWARDS STOCK MARKET PERFORMANCES IN KUALA LUMPUR COMPOSITE INDEX (KLCI)

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DECEMBER 2018

ACKNOWLEDGMENT

Prima facea, I am grateful to the God for the good health and well being that were necessary to complete this book.

I wish to express my sincere thanks to Madam Emelia A Girau. I am extremely thankful and indebted to her for sharing expertise, and sincere and valuable guidance and encouragement extended to me.

I also thank my parents for the unceasing encouragement,attention and support not only financially but emotionally to keep my motivation and focus to complete massive task of completing this BBA programme.

Also, I take this opportunity to express gratitude to my supervisor and colleagues at Merdeka Travel Sdn Bhd for their help and support during my internship. Last but not least, I am also grateful to my partner who supported me through this venture.

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ABSTRACT

The study investigates the effect of general election results on the performances of stock market using case from 14th General Election in Malaysia. This study used stock market daily prices as secondary data obtained from Bursa Malaysia and adopting event study methodology outlined by the MacKinlay (1997). The selected event is 14th General Election in Malaysia which had been held on 9th May 2018. The results of this research suggest that 2018 general election has effect on stock market performances but there is no differences on before or after general election as the abnormal return is insignificant.