THE DETERMINANTS OF STOCK PRICE:

EVIDENCE FROM MALAYSIA PERSPECTIVE

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ABSTRACT

The aim of this study is to investigate the relationship between Crude Palm Oil (CPO), Exchange Rate (ER), Inflation Rate (CPI) and Interest Rate (BLR) to the FTSE Bursa Malaysia KLCI. This paper employs Single Linear Regression and Multiple Linear Regression to determine the statistical relationship. The quarterly data of stock indices is collected January 2000 until September 2015 set of 63 observations. By used Simple Linear Regression, from the result, it reveals that CPO, CPI and BLR have a significant positive relationship towards FTSE Bursa Malaysia KLCI while ER have a significant negative relationship towards FTSE Bursa Malaysia KLCI. However, ER and BLR found insignificant relationship towards FTSE Bursa Malaysia KLCI by used Multiple Linear Regression. These results further our understanding of the relationship between variable selected and should be useful for regulator, investor and speculator.