



**MACROECONOMIC FACTORS AFFECTING
HOUSEHOLD DEBT IN MALAYSIA**

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TABLE OF CONTENT

<u>CONTENT</u>	<u>PAGE</u>
DECLARATION OF ORIGINAL WORK.....	i
LETTER OF SUBMISSION.....	ii
LIST OF FIGURES.....	vi
LIST OF TABLES.....	vii
ACKNOWLEDGEMENT.....	viii
ABSTRACT.....	ix

CHAPTER 1 : INTRODUCTION

1.1 Introduction	1
1.2 Background of the Study.....	2
1.3 Problem Statement.....	3
1.4 Research Question.....	5
1.4.1 Main Research Question.....	5
1.4.2 Specific Research Question.....	5
1.5 Research Objective.....	5
1.6 Scope of the Study.....	6
1.7 Significance of the Study.....	6
1.8 Limitation of the Study.....	7
1.8.1 Finding only in Malaysia.....	7
1.8.2 Lack of data.....	7
1.8.3 Period of study.....	7
1.9 Operational Definition.....	8
1.9.1 Household debt.....	8
1.9.2 Gross Domestic Product (GDP).....	8
1.9.3 Base Lending Rate (BLR).....	8
1.9.4 Consumer Price Index (CPI).....	8
1.9.5 Unemployment Rate (UR).....	9

CHAPTER 2 : LITERATURE REVIEW

2.1 Introduction	10
2.2 Literature Review.....	10
2.2.1 Concept Household Debt.....	10
2.2.2 Gross Domestic Product (GDP).....	11

2.2.3	Base Lending Rate (BLR)	12
2.2.4	Consumer Price Index (CPI)	13
2.2.5	Unemployment Rate (UR)	14

CHAPTER 3 : METHODOLOGY

3.1	Introduction	15
3.2	Research Method	15
3.2.1	Research Design	15
3.3	Model	16
3.4	Conceptual Framework	17
3.5	Variable Description	18
3.5.1	Household debt	18
3.5.2	Gross Domestic Product (GDP)	18
3.5.3	Base Lending Rate (BLR)	18
3.5.4	Consumer Price Index (CPI)	19
3.5.5	Unemployment Rate(UR)	19
3.6	Expected Sign	19
3.7	Hypothesis	20
3.8	Data Collection Method	21
3.9	Measure of Analysis	22
3.9.1	Descriptive Statistic	22
3.9.2	Pearson Correlation	22
3.9.3	Coefficient of Determination	23
3.9.4	T-Statistic	23
3.9.5	F-Statistic	23
3.9.6	Durbin Watson	24

CHAPTER 4 : FINDING AND RESULT ANALYSIS

4.1	Introduction	25
4.2	Descriptive Statistic	25
4.3	Pearson Correlation	27
4.4	Regression Model	28
4.4.1	Coefficient of Determination	30
4.4.2	T-Statistic	30
4.4.3	F-Statistic	31
4.4.4	Durbin Watson	32
4.5	Result Analysis	33

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ABSTRACT

This study examines the factors affecting the performance of household debt in Malaysia with used macroeconomic indicator where is gross domestic product (GDP), interest rate (BLR), consumer price index (CPI) and unemployment rate (UR). This research employs quarterly times series data throughout the timeline 2009 Q3 to 2016 Q4 with total 30 data observations and all the variables is test by using the statistical software EViews 10 package. This study is used Ordinary Least Square (OLS) method to obtain the results. Meanwhile, the results revealed the gross domestic product and consumer price index have positive relationship on household debt. In addition, the interest rate and unemployment rate show negative relationship with household debt. The findings could provide some guidance to future researcher in monitoring the performance of household debt.

Keywords: Household Debt, Gross Domestic Product (GDP), interest rate (BLR), Consumer Price Index (CPI) and Unemployment rate (UR)