

VARIOUS FACTORS INFLUENCING EXPORT IN MALAYSIA

TENGKU NUR MASITAH BINTI TENGKU MOHD ROSLAN 2016688484

BACHELOR OF BUSINESS ADMINISTRATION

WITH HONOURS (FINANCE)

FACULTY OF BUSINESS AND MANAGEMENT

UNIVERSITI TEKNOLOGI MARA (DUNGUN, TERENGGANU)

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ABSTRACT

This research study is about the various factors influencing export in Malaysia. The definition of export is to send goods and services across national borders for the purpose of selling. In Malaysia, export is one of the sources that can gain huge amount of profits to the country.

The purpose of this research is to investigate the various factors influencing export in Malaysia. The dependent variable is export whilst the independent variables are inflation, exchange rate, foreign direct investment and gross domestic product. The study applies Ordinary Least Square (OLS) method yearly from 1971 until 2016 and comprising 46 observations. It is also to define the statistical relationship among the variables.

Using OLS method, the findings revealed exchange rate, foreign direct investment, gross domestic product and lagged export (-1) has a significant relationship towards export. Meanwhile, inflation has an insignificant and negative relationship towards export.

Keywords: Export, Inflation, Exchange Rate, Foreign Direct Investment, Gross Domestic Product, Ordinary Least Square.

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