

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
MARA UNIVERSITY OF TECHNOLOGY

I, AIMAN HAZIQ BIN JOHARI,

Hereby declare that:

- This work has not previously been accepted in substance for any degree, any locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- The project paper is the result of our independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date : 30/12/13

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“In the name of Allah, The Most Gracious and The Most Merciful”

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1.1 INTRODUCTION

"The World Bank lowered its 2013 and 2014 economic growth forecasts for china and most of developing East Asia countries yesterday, citing slower growth in the world's most populous nation as well as weaker commodity prices that have hurt exports and investments in countries such as Indonesia". (The Star, 2013).

Gross Domestic Product (GDP) is the sum of gross value added by all resident producers in the economy. This economy outlook has been driven by both a strong government determination on driving economic development (in the 1970's and 80's) and an expansion in the private sector (in the 1990's and 2000's).

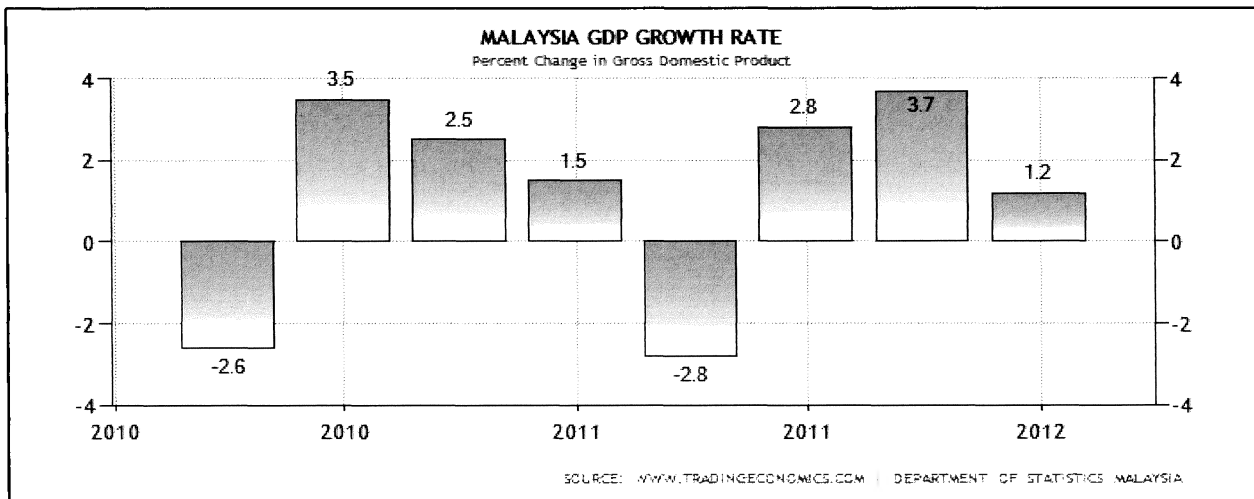


Figure 1.1 Malaysia GDP Growth Rate

Source: Department of Statistics Malaysia, 2012

The performance of Malaysia Gross Domestic Product growth rate presented in Figure 1.1 above. The Gross Domestic Product (GDP) in Malaysia expanded 1.2 per cent in the fourth quarter of 2011 compared to the previous quarter. Historically, from 2000 until 2011, Malaysia's average quarterly GDP Growth was 1.17 per cent reaching an historical high of 5.90 per cent in September of 2009 and a record low of -7.60 per cent in March of 2009. Malaysia is a rapidly developing economy in Asia.