

THE IMPACT OF CRUDE OIL PRICE AND GOLD PRICE ON STOCK INDEX:

EVIDENCE FROM MALAYSIA

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Submitted in Partial Fulfillment of the

Requirement for the

Bachelor of Business Administration with Honours (Finance)

FACULTY OF BUSINESS MANAGEMENT

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SABAH

JUNE 2015

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## **ABSTRACTS**

This paper intends to examine the relationship between commodities price such as crude oil price and gold price and stock index of one country, which is Malaysia. Crude oil and gold are example of commodities that are very crucial for those developing or emerging countries. For example Malaysia that is one of the developing countries that depend on the income from commodity export. Meanwhile, as a benchmark or indicator to measure a country financing health and economic strength is the stock market of the country. The purpose of this study is also to investigate whether there is any significant relationship between crude oil price and gold price with Malaysia stock price. Thus, this study will use the monthly data of two commodities that are crude oil price and gold price as independent variables. Stock price of one country that is Malaysia will act as the dependent variable. In this study, time series analysis will be adopted namely Granger Causality to test the significance of relationship between two commodities with stock price.

## **ACKNOWLEDGEMENT**

Praises to Allah the Al-Mighty for the strength, knowledge and blessing granted to me in the effort of putting this ideas for the thesis. First of all, I would like to express my deepest and sincerest gratitude to my major supervisor, Mr. Mohd Shamlie Salisi for his knowledge, advice and supervising in my thesis. I believe without his comment and guidance, I would stray from this path of research.

Next, my appreciation goes to my parents that help me in this thesis by contributing money, advice and support in the process to complete my thesis. Not to forget my siblings which help me in the process to complete my thesis.

Besides that, I would like to thank my friends and classmates in assist me in difficult situation that I encountered in doing this thesis. Last but not least, thank you to all people who gave me support and advice during the process to complete my thesis.

Last but not least, a big thank you to UiTM Sabah in letting me using the facility in this campus and also giving me the chance in pursuing my study in UiTM.