

**A STUDY ON MARKET INTERDEPENDENCIES OF STOCK MARKET AMONG SOUTHEAST  
ASIA IN TERM OF SMALL CAPITAL**

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## DECLARATION OF ORIGINAL WORK



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Hereby declare that,

- This work has not previously been accepted in substance for any degree, locally or oversea and is not being concurrently submitted for this degree or any others degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbalism extract have been distinguished by quotation marks and source of my information have been specifically acknowledged.

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## **ABSTRACT**

The purpose of this paper to investigate the market interdependencies as well as the correlation between Indonesia Stock Exchange (IDX), Straits Times Index (STI), and Stock Exchange of Thailand (SET) to the FTSE Bursa Malaysia in term of small capital. The weekly return from 1<sup>st</sup> January 2007 until 30<sup>th</sup> December 2011 was employed in the Single Linear Regression Model and Multiple Linear Regression Model. The data used in this study are limited to the small capital market located in Southeast Asia that concentrating more on Indonesia stock market, Singapore stock market, and Thailand stock market. Further research may be conducted using a different time period and frequency of data while utilizing more small capital indices. In addition, future research may look at and compare the market interdependence of small capital market in different stock market and economic condition such as the pre-economic crisis period, during an economic crisis period, or post-economic crisis period.

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