



**A STUDY ON
THE FACTORS AFFECTING SHARE PRICE OF SIME DARBY**

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APRIL 2011



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“DECLARATION OF ORIGINAL WORK”

I, MOHD FADHIL BIN RAMLI,

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas 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.

Signature:

Date:

ACKNOWLEDGEMENT

In the name of Allah S.W.T, the Most Gracious, the Most Merciful. Alhamdulillah, all thanks and praises to Allah for making things possible, for giving me the strength, healthy physical and mental and also a sufficient time to complete this research.

First of all, I would like to place my sense of gratitude to my advisor, Mrs. Shahreena Binti Daud for his valuable guidance, continuous support and encouragement provided to me throughout the completion of this project paper. May Allah S.W.T. bless him and her entire family.

It is my pleasure to acknowledge and thanked to my supervisor Cik Masayu Binti Salehuddin, Mr. Nik Razali Bin Nik Mat, Puan Mar Nor Ashikin Binti Abd. Hamid and all the Sales and Service Centre of Malaysia Building Society Berhad (MBSB) Leboh Ampang staffs for their great cooperation and patient assistance for guiding me during my internship from 22nd November 2010 until 11th April 2011. The experience during this internship is the most valuable and precious experience which absolutely beneficial for me. All your supports and cooperation are much remembered and appreciated.

I would like to dedicate my deepest gratitude to my beloved parents Bin ,
Binti and my siblings for their blessing, understanding, unconditional love, trust, and support morally and financially. May Allah bless our family.

To all my friends and colleagues who have endures with me directly or indirectly in completing this research, I bid you my utmost appreciation. My special regards goes to Nur Hanis Binti Mohd Safni for the information sharing and supporting at my back.

May Allah grant all of you with greatest blessing.

ABSTRACT

There are many research have been conducted in order to investigate the relationship effects of the leverage performance economic conditions towards stock price movement. Those researches are also focus more on the Europe market and Middle East capital market compared to Malaysian capital market. This study is attempt to extend the body of knowledge by analyzing the factors that influence the price movement of Sime Darby Berhad shares by using interest rate, inflation rate and exchange rate in Malaysian capital market as the independent variables. The Single Linear Regression (SLR) and Multiple Linear Regression (MLR) methods have been applied to measure the significant relationship between Sime Darby Berhad share price, levels of interest rates, inflation rate and volatility of exchange rate from 2007 until 2010. The result shows that only exchange rate or currency has a negative significant relationship with the leverage performance in Malaysian market. Besides that, the result from this research has some potential to be used by the market analyst for predicting stock price movement of the chosen company in this country.

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