



**THE DETERMINANTS OF ECONOMIC GROWTH IN  
MALAYSIA**

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JOHOR**

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**Submitted in Partial Fulfilment  
of the Requirement for the  
Bachelor of Business Administration (Hons) Finance**

**Faculty of Business Management  
Universiti Teknologi Mara  
Segamat, Johor.**

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**“DECLARATION OF ORIGINAL WORK”**

I, Nurul Hiedayah binti Yusoff (I/C Number: 910103 – 01 – 5620)

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 other degrees.
- This project paper is the result of my 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 \_\_\_\_\_

## **LETTER OF SUBMISSION**

7<sup>th</sup> December 2014

Mrs. Nur Liyana binti Mohamed Yousop  
Mr. Syamsul bin Samsudin  
Faculty of Business Administration  
Universiti Teknologi MARA  
85000 Segamat  
Johor.

Dear Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “The Determinants of Economic Growth in Malaysia” to fulfill the requirement as needed by the Faculty of Business Administration, Universiti Teknologi MARA.

Thank You.

Yours sincerely,

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NURUL HIEDAYAH BINTI YUSOFF  
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Bachelor of Business Administration (Hons) Finance

## **ABSTRACT**

Economic growth is an indicator used by country in order to measure the economy performance either they are facing good or bad condition in the economy. A change in economy can occur anytime and may affect the development of the country. A stable and good economy condition shows a positive image and able to attract other countries to invest in the country. Hence, to identify the country's level of success, it can be measure from their economic growth or stability. Therefore, the purpose of this study was to examine the determinants that affect the economic growth in Malaysia by using quarterly time series data from year 2005 until 2013. The multiple linear regressions were used in this study to analyse the significant relationship between independent variable (consumer expenditure, government expenditure, foreign direct investment, export and exchange rate) towards dependent variable (gross domestic product). The findings suggested that Malaysia's economic growth is determined by changes in consumer expenditure, government expenditure, foreign direct investment and export towards gross domestic product.