



**THE DETERMINANTS OF HOUSING PRICE INDEX IN
MALAYSIA**

MOHD HAZWAN BIN HARMAN SHAH

2015140043

**BACHELOR OF BUSINESS ADMINISTRATION
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MOHD HAZWAN BIN HARMAN SHAH

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DECLARATION OF ORIGINAL WORK



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UNIVERSITI TEKNOLOGI MARA
"DECLARATION OF ORIGINAL WORK"**

I, MOHD HAZWAN BIN HARMAN SHAH, (I/C NUMBER: 940222-01-6471)

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 degrees.
- This project-paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by equation marks and sources of my information have been specifically acknowledged.

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ABSTRACT

This study is to research about the Determinants of Housing Price Index in Malaysia. There are five independent variables that have been select for this research. The independent variables are consumer price index (MCPI), lending rates (MLR), money supply (MMS), gross domestic product (MGDP) and unemployment rate (MUR). This study use the quarterly data from quarter 3 of 2006 to quarter 1 of 2017 which total number of observation is 43 sample. Multiple linear regression model is applied to study the relationship between explanatory variables and explained variable. Empirical result of Equation 3 shows that MLR, MGDP and MUR significantly affect MHPI. While MCPI and MMS insignificantly affect MHPI. This study shows that the most significant relationship with MHPI is MLR followed by MGDP and MUR.