



THE DETERMINANTS OF GOLD PRICE

NUR IZZATI SYAZWANI BINTI ABDUL RAHMAN

2012840224

BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

JOHOR

DECEMBER 2014

THE DETERMINANTS OF GOLD PRICE

NUR IZZATI SYAZWANI BINTI ABDUL RAHMAN
2012840224

Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) Finance

FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA,
JOHOR

DECEMBER 2014

DECLARATION OF ORIGINAL WORK



اَبُو سَيِّدِي تَيْكُو لَوِي كِي مَارَا
UNIVERSITI
TEKNOLOGI
MARA

BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA
JOHOR

DECLARATION OF ORIGINAL WORK

I, NUR IZZATI SYAZWANI BINTI ABDUL RAHMAN I/C Number: 910720-06-05682

Hereby, declare that

- This work has not previously been accepted in substance of any degree, locally or overseas and is not being concurrently submitted of this degree or any other degrees.
- This project paper is the result of our 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: _____
(Nur Izzati Syazwani Binti Abdul Rahman)

Date : 7th December 2014

LETTER OF SUBMISSION

7th DECEMBER 2014

En. Mohamad Azwan Bin Md Isa
Department of Finance
Faculty of Business and Management
UiTM Johor, Segamat Campus
85000 Segamat
Johor, Malaysia.

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “The Determinants of Gold Price” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

.....

(Nur Izzati Syazwani Binti Abdul Rahman)
Bachelor of Business Administration (Hons) Finance

ABSTRACT

Gold is the most popular investment of the precious metals. Gold is often used as a safe investment against currency, social, economic, or political crises. Throughout history, gold has been used as money, and everything else was measured in gold. This research therefore, was conducted in objective to determine the determinants of gold price. For this purpose, the researcher used secondary data, which is the data, are collected from Bloomberg and Bank Negara Malaysia Statistic. The factors that were selected in this study are called as independent variables. There are five independent variables which are inflation rate, interest rate, exchange rate, KLCI and crude palm oil (CPO) price. Therefore, the study is to examine the determinants that affect the fluctuation of gold price by using monthly data from January 2010 to September 2014. The multiple linear regressions are used in this study to assess the relationship between dependent variable (gold price) and the independent variables (inflation rate, interest rate, exchange rate, KLCI, and CPO price). The main findings suggest that the gold price is determined by these variables.