

**THE KEY ELEMENTS THAT INFLUENCING
ECONOMIC GROWTH IN MALAYSIA**

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**Submitted in Partial Fulfillment of the
Requirement for the
Bachelor of Business Administration with Honours (Finance)**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MALACCA CITY CAMPUS**

JANUARY 2018

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
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I, NATASHA ZULIANA BINTI ZULFAKAR, (I/C Number: 950916-14-5410)

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- 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: _____

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LETTER OF TRANSMITTAL

January 2018

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Dear Sir / Madam,

SUBMISSION OF FINAL PROJECT PAPER

Attached is the project paper title **“THE KEY ELEMENTS THAT INFLUENCING ECONOMIC GROWTH IN MALAYSIA”** to fulfill the requirement needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You,

Sincerely,

NATASHA ZULIANA BINTI ZULFAKAR
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ABSTRACT

The purpose of this study is to examine the key elements that influencing economic growth in Malaysia via time series data. This study employs the ordinary least square (OLS) method and the macroeconomic variables used consist of inflation rate, exchange rate, foreign direct investment, tourism receipts and trade openness as independent variables taken in the period from quarter one 1970 to 2016. The results show that the foreign direct investment, tourism receipts and trade openness shows a significant positive relationship while the exchange rate shows significant negative relationship. However, inflation rate is found to have insignificant negative effects towards economic growth in Malaysia.