



THE IMPACT OF INTERNATIONAL TRADE ON ECONOMIC GROWTH IN
MALAYSIA

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Submitted in Partial Fulfillment of the
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FACULTY OF BUSINESS MANAGEMENT
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DECLARATION OF ORIGINAL WORK



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“DECLARATION OF ORIGINAL WORK”

I, NUR IRDINA HARYANI BINTI HUSIN, (I/C NUMBER : 951211146506)

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: 15.01.2017

LETTER OF SUBMISSION

JANUARY 2018

HEAD OF PROGRAMME

Faculty of Business Management

Universiti Teknologi MARA (Kampus Bandaraya Melaka)

75300, Melaka.

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **“THE IMPACT OF INTERNATIONAL MARKET ON ECONOMIC GROWTH IN MALAYSIA”** to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you,

Your sincerely,

NUR IRDINA HARYANI BINTI HUSIN

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ABSTRACT

This paper aims to conduct a comparative study which also to examine whether Malaysia's economic growth affected by the international trade. Economic growth of Malaysia declined in the year of 1980s and was continually decreased. Therefore, this paper has empirically examined the impact of international trade on economic growth in Malaysia. This study also use gross domestic product as proxies for economic growth, the ordinary least square technique was employed to estimate the impact international trade on gross domestic product. The objectives of this study is to investigate the significant relationship between the indicators of international trade and economic growth based on time series data. This study also run diagnostic checking to test for the normality, multicollinearity, autocorrelation and heteroscedasticity problem. Thus, the results showed there is no normality, multicollinearity, autocorrelation and heteroscedasticity problem. The results of the analysis shows that all the variables except for export and inflation were statistically significant. For the ADF, PP and KPSS unit root test, all variables showed stationary at the first difference.