



FACTORS AFFECTING MALAYSIA HOUSEHOLD DEBT

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BACHELOR OF BUSINESS ADMINISTRATION

WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

MALACCA CITY CAMPUS

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

FACULTY OF BUSINESS MANAGEMENT

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MALACCA CITY CAMPUS

January 2018

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
“DECLARATION OF ORIGINAL WORK”**

I, Nurul Azira Binti Zainal Bidin, (I/C Number: 940611-06-5306)

Hereby, declare that:

- This work has not previously accepted in substance for any degree, locally or overseas and it 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 TRANSMITTAL

January 2018

Coordinator

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Faculty of Business Management

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Dear Sir/Madam,

SUBMISSION OF FINAL PROJECT PAPER

Attached is the project paper title “**FACTORS AFFECTING MALAYSIA HOUSEHOLD DEBT**” to fulfill the requirement needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Sincerely,

NURUL AZIRA BINTI ZAINAL BIDIN

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Bachelor of Business Administration with Honours (Finance)

ABSTRACT

This study explores the factors that affect the household debt in Malaysia. This study is using quarterly data over the period January 2006 to December 2016 for the three independent variables which are Gross Domestic Product (GDP), Interest Rate (IR) and Unemployment Rate (UR). All data were collected from DataStream. This current study employs ordinary least square (OLS) in examining the factors affecting the household debt in Malaysia. The finding indicates that there is a positive significant relationship between gross domestic product and household debt. Meanwhile, it was discovered that there are negative significant relationship between interest rate and unemployment rate with household debt.