FACTORS AFFECTING MALAYSIA HOUSEHOLD DEBT

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MALACCA CITY CAMPUS

January 2018
DECLARATION OF ORIGINAL WORK

BACHELOR OF BUSINESS ADMINISTRATION
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“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

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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,

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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.