



**THE DETERMINANTS OF FINANCIAL DEVELOPMENT IN  
FIVE SELECTED ASEAN COUNTRIES**

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**UNIVERSITI TEKNOLOGI MARA**

**MALACCA CITY CAMPUS**

**JANUARY 2019**

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

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITY TEKNOLOGI MARA**

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## **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA MELAKA**

**“DECLARATION OF ORIGINAL WORKS”**

We, NURSYASYA EMIRA BINTI MOHD NAZLAN, 960701045024 and  
NUR FAZIDA BINTI FADZIL, 940317045312

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 our independent work and investigations, except where otherwise stated.
- All verbalism extract has been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: .....

Date: .....

## LETTER OF SUBMISSION

January 2019

Head of Programme  
Bachelor of Business Administration with (Honors) Finance  
Faculty of Business Management  
Universiti Teknologi Mara  
Melaka

Dear Madam,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**THE DETERMINANTS OF FINANCIAL DEVELOPMENT IN FIVE SELECTED ASEAN COUNTRIES**” to fulfill the requirement as needed by the Faculty of Business Management, University Technology Mara.

Thank you.

Yours sincerely,

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Bachelor of Business Administration (Hons) Finance

## **ABSTRACT**

This study uses secondary data from 1995 until 2017 to analyse the pattern of Financial Development in five selected ASEAN countries and the factor that influence it. The economic study focuses on Government Expenditure, Trade Openness, Gross Domestic Product and Investment. Apart from that, the other objective of this research is to determine the determinants of the financial development in five selected ASEAN countries which are Malaysia, Indonesia, Thailand, Singapore, and Vietnam. There are several methods of analysis were used to analyse the data which are Panel Unit Root Test, Correlation Analysis, Regression Analysis, Autocorrelation, and Panel Regression Random Effect. The result proved that there has a positive relationship between factors that influencing Government Expenditure, Investments, Trade Openness and GDP towards the financial development in five selected ASEAN countries.