



THE IMPACT OF MACROECONOMIC VARIABLES TOWARDS MALAYSIAN
STOCK MARKET

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DECLARATION OF ORIGINAL WORK



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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 others degrees.
- This project paper is the result of my independent work and investigations, except where otherwise stated.
- All verbalism extract have been distinguished by quotation and sources of my information have been specifically acknowledge.

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LETTER OF SUBMISSION

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Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “The Impact of Macroeconomic Variable Towards Malaysian Stock Market” to fulfill the requirement as needed by the Faculty of Business Management, University Technology Mara.

Thank you.

Yours sincerely,

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ABSTRACT

The aim of this study is to investigate the impact of macroeconomic variables (interest rate, inflation rate, exchange rate and oil price) towards Bursa Malaysia KLCI Index. The study used Multiple Linear Regression in order to find the impact of those macroeconomic variables towards Bursa Malaysia KLCI . The quarterly data is collected from 1st January 1999 until 31st December 2014. Ordinary Least Square Method was used to determine the relationship between interest rate, inflation rate, exchange rate and oil price and Bursa Malaysia KLCI. From the result, it reveals that all these variables have an insignificant negative relationship towards FTSE Bursa Malaysia KLCI. These results give additional understanding of the relationship between the these macroeconomic variable and Bursa Malaysia KLCI and should be useful for regulator, investor and speculator.

TABLE OF CONTENTS

	Page	
TITLE PAGE		
DECLARATION OF ORIGINAL WORK	i	
LETTER OF SUBMISSION	ii	
ACKNOWLEDGEMENT	iii	
TABLE OF CONTENTS	iv	
LIST OF FIGURES	vii	
LIST OF TABLES	viii	
LIST OF ABBREVIATIONS	ix	
ABSTRACT	x	
CHAPTER 1	INTRODUCTION	
1.0	Introduction	1
1.1	Background of Study	1-2
1.2	Problem statement	2-4
1.3	Research Objective	4
1.4	Research Questions	4
1.5	Significance of Study	5
1.6	Scope of Study	5
1.7	Limitations of Study	5-6
1.8	Definition of Terms	6-7
1.9	Conclusion	8
CHAPTER 2	LITERATURE REVIEW	
2.0	Introduction	9
2.1	Literature Review	10
	2.1.1 Bursa Malaysia KLCI	10
	2.1.2 Interest rate	10-11
	2.1.3 Inflation rate	11-13