



DETERMINANTS OF FOREIGN DIRECT INVESTMENT IN MALAYSIA

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JULY 2019

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
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UNIVERSITI TEKNOLOGI MARA
“DECLARATION OF ORIGINAL WORK”**

I am Farah Wahida Binti Abd Rahim (IC Number: 940414-05-5280).

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: _____

LETTER OF SUBMISSION

Bachelor of Business Administration (Hons) Finance
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Dear Sir,

SUBMISSION OF PROJECT PAPER

DETERMINANTS OF FOREIGN DIRECT INVESTMENT IN MALAYSIA

I am required to do a project paper on the above topic. I hereby submitted this report and I really hope that this work will fulfil the requirement for the Bachelor of Business Administration (Hons) Finance.

Thank you,

Yours sincerely,

.....

Farah Wahida Binti Abd Rahim

2016524039

Bachelor of Business Administration (Hons) Finance

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ABSTRACT

The purpose of this study is to examine the determinants of foreign direct investment in Malaysia. The determinants are inflation rate (IR), gross domestic product (GDP), exchange rate (ER) and trade openness (TRO). The study was using time series data from 1980 to 2017 by using yearly data. Multiple linear regression test has been used in this study. The result shows that inflation rate and gross domestic product have positive and significant relationship towards foreign direct investment in Malaysia. Meanwhile, there is insignificant relationship between exchange rate and trade openness on foreign direct investment in Malaysia. It means exchange rate and trade openness has no significant effect on Foreign direct investment in Malaysia.