



**THE RELATIONSHIP BETWEEN ECONOMIC INDICATORS AND  
MALAYSIAN REAL ESTATE INVESTMENT TRUST (MREIT)**

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**JULY 2014**

**DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION  
WITH HONOURS (FINANCE)  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA**

**“DECLARATION OF ORIGINAL WORK”**

I, NURIZZATI BINTI MARSO (I/C NUMBER: 920403-01-6798)

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: 03/07/2014

## **LETTER OF SUBMISSION**

4<sup>th</sup> July 2014

The Head of Program  
Bachelor of Business Administration with Honours (Finance)  
Faculty of Business Management  
Universiti Teknologi MARA  
Bandaraya Melaka  
75300 Melaka

Dear Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “**THE RELATIONSHIP BETWEEN ECONOMIC INDICATORS AND MALAYSIAN REAL ESTATE INVESTMENT TRUST (MREIT)**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,



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**NURIZZATI BINTI MARSO**

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Bachelor of Business Administration (Hons) (Finance)

## **ABSTRACT**

The aim of this study is to investigate the relationship between economic indicators namely the stock market, interest rate and inflation rate to Malaysia real estate investment trusts return. The study used Simple Linear Regression and Multiple Linear Regression method in order to find the relationship among those variables. The monthly closing price of Malaysia real estate investment trusts index which is retrieved from Datastream database is collected from 1<sup>st</sup> February 2008 until 31<sup>st</sup> March 2014. The data is used as it is the best proxy that represents the Malaysia real estate investment trusts sector in the country. From the result, it is revealed that all the economic indicators tested have significant positive relationship towards Malaysia real estate investment trusts return. It means that the relationship between these economic indicators and Malaysia REITs exists. These results would contribute to the literature in related areas and give people a view on current condition of the Malaysia real estate investment trusts sector.

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