

**UNIVERSITI TEKNOLOGI MARA**

**EXAMINING THE FACTORS  
AFFECTING SAVING IN MALAYSIA**

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Final Year Project Paper submitted in fulfillment  
of the requirements for the degree of  
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## **AUTHOR'S DECLARATION**

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA Johor. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA Johor, regulating the conduct of my study and research.

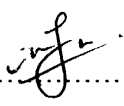
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## **ABSTRACT**

Savings is remaining income left after paying consumptions. It is play an important role as a catalyst for development and growth of economic in a country. Highs saving in a country will drive the investment rate that can stimulate towards economic growth. The main purpose of this paper is to analyze the factors that affecting saving in Malaysia over the period from year 1987 to 2016. The dependent variable of this research is household saving rate and this research using five (5) independent variables which are interest rate (IR), population growth (POP), gross national income per capita (GNI), inflation rate (INF), and unemployment rate (UNE). These independent variables used to see whether there is significant or insignificant relationship with household saving rate. The data collected from Datastream was chosen for this study with the time period about 30 years which from 1987 to 2016 based on annually basis. Furthermore, the data that had been used in this research is quantitative secondary data and the data structure is time series data. This study found that, interest rate, population growth, inflation rate and unemployment rate are the most significant factors affecting saving in Malaysia.

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