DETERMINANTS OF MACROECONOMIC VARIABLES ON STOCK MARKET RETURN IN MALAYSIA: FTSE KLCI

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CITY CAMPUS

JANUARY 2020

DECLARATION OF ORIGINAL WORK

BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE)
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"DECLARATION OF ORIGINAL WORK"

I, NUR FATIN AQILA BINTI ALAM SHAH, (I/C Number: 961028-10-6046)

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 ("this study") 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: 14 January 2020

LETTER OF SUBMISSION

JANUARY 2020

The Head of Programme
Bachelor of Business Administration (Honours) Finance
Faculty of Business and Management
Universiti Teknologi MARA
110, Off Jalan Hang Tuah
75300 Melaka

Dear Sir/Madam,

SUBMISSION OF INDUSTRIAL TRAINING PROJECT PAPER (FIN 672)

Hereby, enclosed the project-paper ("the study") titled "**DETERMINANTS OF MACROECONOMIC VARIABLES ON STOCK MARKET RETURN IN MALAYSIA: FTSE KLCI"** to fulfill the requirement précised by the Faculty of Business and Management, University Teknologi MARA.

Thank you,

Yours sincerely,

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NUR FATIN AQILA BINTI ALAM SHAH
2017662636
Bachelor of Business Administration with Honours (Hons)

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DETERMINANTS OF MACROECONOMIC VARIABLES ON STOCK MARKET RETURN IN MALAYSIA: FTSE KLCI

ABSTRACT

The study has been examined the impacts of macroeconomic variables on stock market return in Malaysia: FTSE KLCI using the quarterly data from Q1 2008 to Q4 2018 which contains the total of 41 observations. More specifically, this study aims to investigate the current literature reviews by including the CPI, EXR, INT, COP and MON towards to the stock market return in Malaysia: FTSE KLCI. Furthermore, this study applied several empirical tests such as unit root test, normality test, descriptive statistics, multicollinearity test, autocorrelation test and multiple linear regression models. In conclusion, the result obtained from multiple linear regression shows that EXR, INT, COP and MON have significant and positive relationship while CPI has negative and insignificant relationship with the stock market return in Malaysia: FTSE KLCI.