

UNIVERSITI TEKNOLOGI MARA

**FACTORS INFLUENCING SAVINGS RATE IN
CHINA**

**MUHAMAD ZAKUAN NAFIS BIN ROSSLI
2015104069**

Final Year Project Paper submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Finance)**

Faculty of Business and Management

December 2018

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. 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, regulating the conduct of my study and research.

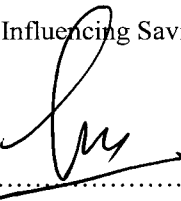
Name of Student : Muhamad Zakuan Nafis bin Rossli

Student I.D. No. : 2015104069

Programme : Bachelor of Business and Administration (Hons)
Finance.

Faculty : Business and Management

Thesis : Factors Influencing Savings Rate in China

Signature of Student : 

Date : December 2018

ABSTRACT

In this study we examine the factors influencing savings rate in China using time-series. The data is collected from year 1988-2017. The empirical findings in this study explained interest rate has negative relationship with saving rate. Although in recent years, there are increasing in the study on the relationship between interest rate and saving rate, considerable these study on do not always obtain similar results. In contrast, consumer price index and GNI per capita have positive relationship with saving rate.

ACKNOWLEDGEMENT

Firstly, I wish to thank God for giving me the opportunity to embark on my bachelor's degree and for completing his long and challenging journey successfully.

My gratitude and thanks go to my supervisor, Madam Aflah binti Isa@Darami for all the precious advice and guidance throughout completing this thesis. In addition, I would like to thank Madam Nur Liyana Mohamed Yousop, the final year project paper coordinator, for all her sacrifices and for approval of my thesis topic.

I would like to thank my colleagues for being there for me and willing to help me. My appreciation goes to them who have lend a hand to help me to complete this master piece.

Finally, this thesis is dedicated to both my parents, Rossli bin Saad and Khadijah binti Ishak for the vision and determination to educate me. Both of them have giving me endless encouragement for me to complete his thesis. Hence, this piece of victory is dedicated to both of you. Alhamdulillah.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF SYMBOLS	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE INTRODUCTION	1
1.1 Introduction	1
1.2 Research Background	2
1.3 Problem Statement	3
1.4 Research Questions	4
1.5 Research Objectives	5
1.6 Significance of the Study	6
1.7 Scope of the Study	6
1.8 Limitation of the Study	7
1.9 Summary	7
CHAPTER TWO LITERATURE REVIEW	8
2.1 Introduction	8
2.2 Literature Review on Saving Rate	10
2.3 Literature Review on Interest Rate	11
2.4 Literature Review on Consumer Price Index	12
2.5 Literature Review on Gross National Saving (GNI) per Capita	13
2.6 Theoretical Framework	14
2.7 Summary	14