



**FACTORS CONTRIBUTING TO DEMAND FOR LIFE
REINSURANCE IN MALAYSIA**

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“DECLARATION OF ORIGINAL WORK”

I, Walter Anak Jenggi, (I/C Number: 861004-52-6849)

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 degrees.
- This project paper is the result of my independent work and investigation except otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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LETTER OF TRANSMITTAL

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Dear Madam,

SUBMISSION OF FINAL REPORT

Enclosed herewith is a thesis entitled “**FACTORS CONTRIBUTING TO DEMAND FOR LIFE REINSURANCE IN MALAYSIA**”. I hope this thesis will meet requirement and expectation from you and the faculty. Thank you very much for all the guidance and support you have generously rendered upon the completion of the thesis.

THANK YOU VERY MUCH FOR YOUR TIME AND CONSIDERATION.

Yours Sincerely,

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ABSTRACT

The purpose of this research is to investigate the factors that contribute to the demand for life reinsurance in Malaysia. The research method used is the Ordinary Least Square regression Model. There are four independent variables that are included in this research which is inflation rate, gross domestic product per capita, size, and taxation. These four independent variables will be examined in order to identify their relationship with the demand for life reinsurance in Malaysia. In this study, the data are based on secondary data collected from Annual Insurance Report compiled by Bank Negara Malaysia and also some data from International Monetary which available on www.economywatch.com. These data are obtained for a ten years period from 1999 to 2008. The results from the findings shows that there is a relationship between all variables with demand for life reinsurance but only independent variable size has a significant relationship with the demand for life reinsurance in Malaysia.