

UNIVERSITI TEKNOLOGI MARA

**THE FACTORS THAT INFLUENCE
MUSLIM INVESTOR TO MAKE
GOLD INVESTMENT**

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Thesis submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Islamic Banking)**

Faculty of Business Administration

June 2018

AUTHOR'S DECLARATION

I declare that the work in this thesis 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

Gold is the most malleable, ductile, dense, conductive, non-destructive and beautiful metal. This had made it the most desired object for most of human history and in almost every civilization and there have been active gold market for over 6000 years (Green, 2007). Since the prehistoric time, people had used gold in trading and as a value keeping asset. Gold had been managed to maintain its value through the ages. The main reason is that unlike any other instruments such as paper currency, gold had been a stable way to pass on and preserve the value of wealth from one generation to the next. Besides, gold is one of the oldest precious metal that have been used for investment, currency, commodity and an object of beauty all around the world. By the time, gold had been widely recognised as the standard form of medium of exchange for international trade. Gold investment had been booming in recent years as many investors had become aware about the benefit of gold and its special features. The purpose of this research was to identify the factors that influence Muslim investors in Kedah to make gold investment. The factors of investors decision to make gold investment was also being study between risk of gold, hedge against inflation and safe haven. Respondents of this research was 100 which consists of Muslim investors who had made the gold investment. The questionnaires that was used to measure the investors decision to make the gold investment and the factors that influenced them to make the gold investment was designed from the previous researcher. The questionnaires was being used as it was easy for the researcher to collect and analysed the data obtained. The data were analyses using Statistical Package for Social Science (SPSS). Based on the multiple regression analysis, it was identified that the risk of gold factor is the main factor that influenced the Muslim investors to make the gold investment. Furthermore, safe haven and hedge against inflation had no relationship between them.

ACKNOWLEDGEMENT

Firstly, thank to Allah SWT that has given me the opportunity in completing this research paper on time. It is possible for me to complete this research without the grace and blessing from Allah SWT.

Next, I want to thank and appreciate my advisor, Sir Mohd Hakimi bin Harman for his valuable guidance and advice that had been given to me. He had been providing me with necessary information regarding the direction and warned me about any possible errors that could have happened during the research. Besides, a thousand thanks to my coordinator, Madam Zuraidah Binti Sipon for her guidance. She had given a lot of advice and help me to make correction on this study.

Not to forget, to my beloved parents for their supports and understanding on me while I was completing this research. Their support have helped me in completing this research with a possible success.

Lastly, I would like to express my thankfulness to my fellow friends that had been sharing their knowledge, experience and for helping me to overcome the difficulties that I faced while doing this research.

TABLE OF CONTENT

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENT	1
LIST OF TABLES	4
LIST OF FIGURES	5
CHAPTER ONE INTRODUCTION	6
1.1 Introduction	6
1.2 Research Background	7
1.3 Problem Statement	8
1.4 Research Questions	9
1.5 Research Objectives	9
1.6 Significance of the Study	10
1.7 Scope of the Study	10
1.8 Limitation of the Study	11
1.8.1 Data Reliability	11
1.8.2 The Extent of the Secondary Data Relevancy	11
1.8.3 Lack of cooperation from respondents	11
1.9 Definition of Terms	11
1.9.1 Investment	11
1.9.2 Gold	12
1.9.3 Safe Haven	12
1.9.4 Hedge Against Inflation	12
1.9.5 Risk	12
1.10 Summary	13
CHAPTER TWO LITERATURE REVIEW	14
2.1 Introduction	14