

**INVESTMENT OPPORTUNITIES AND MARKET REACTION TO
INTERNATIONAL JOINT VENTURES**

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**Submitted in Partial Fulfillment
of the Requirement for the
Bachelor of Business Administration
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT
UITM, JOHOR**

NOV 2007



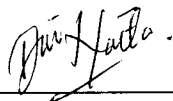
“DECLARATION OF ORIGINAL WORK”

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I, Dina Novita Bt Mohmad Nordin, (I/C Number :841117-04-5294)

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 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.

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LETTER OF SUBMISSION

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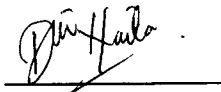
Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "INVESTMENT OPPORTUNITIES AND MARKET REACTION TO INTERNATIONAL JOINT VENTURES" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA

Thank you

Yours sincerely



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ACKNOWLEDGEMENT

Alhamdulillah, praise to Allah S.W.T the Al Mighty and Merciful, because of the blessing that made possible for this project to be completed in time.

This thesis is prepared to fulfill the graduation requirement of Bachelor of Business and Administration (Honours) Finance. One semester of completing this thesis together with the classes to be attended as the requirement on the completion of BBA (Honours) Finance has given me opportunity to gain knowledge and being exposed to the current economic condition before continuing with the future endeavor challenges.

Foremost, I would like to take this opportunity to express my sincerely gratitude to all those efforts facilitated in the completion of this thesis. Without helped and support from various people, the completion of this study would not be made possible.

Firstly, I would like to express my deepest gratitude and thanks to my most respected thesis advisor, Encik Kamal Fahrulrazy b Rahim from whom I sought and received valuable guidance, comments, views, advices as well as encouragement based upon her own extensive experience. I am also grateful for her tolerance towards my weaknesses and ignorance in completing this thesis. I wish to express my special word of thanks and indebted to En.Muhamad Sukor bin Jaafar, who also responsible for the preparation of the contents and the flow of the thesis.

Special thanks are due to all staff of Uitm Johore library and Bursa Saham library for their helped, guidelines and information regarding this study. To my colleagues, especially the BBA (Honours) Finance 06, thanks for all your constructive critics,

ABSTRACT

This study present the evidence on the role between investment opportunities and market reaction to international joint ventures focus on identification of announcements of international joint ventures between Malaysia listed firms and either foreign companies, foreign governments, or both, during the period from January 1997 to December 2007. The purpose of this study is to examine the role of investment opportunities and market reaction in explaining the effect and their impact before and after announcement international joint ventures.

Secondary data being used for this study are daily stock price, and KLCI Index. This study concentrated on the 30 companies listed in Main Board of Bursa Malaysia. All the companies were selected from 1997-2007 which makes international joint ventures during the period.

This study is conducted by using Microsoft excel in order to find the stock return and market return for each companies and abnormal return through Non Parametric test. Event studies measure stock price reactions to events. Price reactions are represented by abnormal returns, which are stock returns adjusted for normal daily stock price and market index movements. Researchers examine test statistics to infer whether to attribute observed abnormal returns to chance or to the event under investigation.