



اُونِيُوَسْتِي تِيكْنُوْلُوْجِي مَارَا  
UNIVERSITI  
TEKNOLOGI  
MARA

**“COMPARISON BETWEEN DOMINANT WORKING CAPITAL VARIABLES IN  
MALAYSIA TRADING AND SERVICE INDUSTRY”**

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## **ABSTRACT**

This study explores the working capital variables and profitability of trading and service industry in Malaysia. The efficiency of working capital management is reflected by four variables: average collection period, inventory turnover, average payment period, and cash conversion cycle. This study was conducted on Malaysia companies over 2-years period from 2010-2011. The sample was taken from the 25 companies listed on the main board of Bursa Malaysia in trading and services industry. The result of study showed that, there is relationship between average collection period and average payment period with profitability. While, there is no relationship between inventory turnover and cash conversion cycle with profitability.

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