



UNIVERSITI TEKNOLOGI MARA

**THE INFLUENCE OF THE TRADING VOLUME, DIVIDEND YIELDS,
AND PRICE EARNINGS TOWARDS THE STOCK RETURNS IN
MALAYSIA**

HASLINDA BINTI OTHMAN

2011481974

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

CAWANGAN KELANTAN

JUNE 2013

DECLARATION OF ORIGINAL WORK



FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

CAWANGAN KELANTAN

I am , HASLINDA BINTI OTHMAN (I/C Number 900310-03-5342)

Hereby, declare that:

- This work has not previously been accepted by in substance for any degree, locally or oversea, 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.

Signature: _____

Date: _____

LETTER OF TRANSMITTAL

Bachelor in Business Administration (Hons)(Finance)
Universiti Teknologi Mara,Caw.Kelantan
15050 Kota Bharu
Kelantan

6th June

Head,
Faculty of Business Management
Universiti Teknologi Mara
Caw.Kelantan
Kampus Kota Bharu
15050 Kota Bharu
Kelantan.

Dear Sir,

Submission of Research Report

Attached is the project paper titled “The influence of trading volume, dividend yields, and price earnings towards the stock returns” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi Mara.

Thank You

Yours sincerely,

Haslinda Binti Othman
2011481974

ACKNOWLEDGEMENT

Praise to Allah S.W.T the Lord of the universe, for his wisdom, strength and blessings to complete this project paper. Peace and blessings of Allah be upon His Messenger, Muhammad S.A.W.

First and foremost , I would like to take an opportunity to neither express thanks to both respectable advisors, Mr. Md Khairu Amin Bin Ismail and Madam Syukuriah binti Idrus who have made a significant contribution , support and giving their great analytical skills, helpful comments, guidance and suggestions for the completion of this research.

I would like to say thanks to both of my parents and also my friends for giving me support from start till I complete this project paper.

Finally, I would like to express my appreciation to UITM library's Kota Bharu because allowed me to use the facilities in the library such as borrowed the books as reference, use the internet and Datastream to search for data .I would like to thanks to everyone who has given a direct and indirect support and cooperation to me for finish up this project paper.

ABSTRACT

The purpose of this study is to investigate the influence of trading volume, dividend yields and price earnings towards the stock returns on public listed companies in Malaysia. There are 102 public listed companies selected randomly from Bursa Malaysia main market. The period of the present study is from January 2007 until December 2009. The data has been collected from various sectors such as consumer, industrial, construction, plantations, infrastructure, real estate, trading and services and REITS. Stock return has been chosen as a dependent variable. While trading volume, dividend yields and price earnings have been chosen as an explanatory variables in this study. Based on the findings, there are only one explanatory variables which is dividend yield that is significant towards stock returns. The other two explanatory variables, price earnings and trading volume are insignificant. In short, the study found that stock return can be explained by dividend yield for the period of 2007 until 2009.