



**BACHELOR OF BUSINESS ADMINISTRATION  
WITH HONOURS (FINANCE)  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA**

**FACTORS AFFECTING GOLD PRICE**

**ATIAH BT ZAKARIA,  
2009455948**

## LETTER OF TRANSMITTAL

Faculty of Business Management

MARA Technology University

Kota Bharu Branch

Dear Sir,

### SUBMISSION OF FIN 667 THESIS REPORT

Attached is the report titled "**Factors Affecting Gold Price**". This study has been conducted as a way to verify on what are the factors that affecting the gold price movements.

I hope this report will fulfill the requirements needed by the faculty of Business Management, MARA Technology University and meet the objectives of the study besides giving valuable benefits to many parties.

I am grateful for all your guidance, kindness and support during the completion of this written report.

Thank you.

Yours sincerely,

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ATIAH BINTI ZAKARIA

UiTM No: 2009455948

Bachelor in Business Administration (Hons.) Finance

## DECLARATION OF ORIGINAL WORK



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“DECLARATION OF ORIGINAL WORK”**

**I, ATIAH BT ZAKARIA, (IC NUMBER: 870516-56-5168)**

Hereby, declare that:-

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being currently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except otherwise stated.
- All verbatim extracted have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## ACKNOWLEDGEMENT



First and foremost, I would like to say Alhamdulillah and thanks to Allah because at last I am managed to finish up this thesis report after a long time journey while facing so many problems and challenging during the process. Thanks to Allah again because still loving me to make sure that this report finish on time. I also would like to thank a lot to my beloved academic advisor Dr. Zulkifli Mohamed and my lovely second examiner, Madam Nurazleena Ismail for their guidance and supports. I also did not forget to thank to my family especially my parents who involved directly and indirectly in helping me to finish this report. Besides, to all of my friends who gave support from behind in order to finished this report. I really hope that Dr. Zulkifli Mohamed will satisfy with my work. I know that my report is not perfect as you want but only this I can do for you.

I also would like to express my appreciation to my practical supervisor, Mr Azly Othman who has contribute valuable expertise, knowledge, ideas and advice in completing this report indirectly. A thousand thanks to all the staff at Permodalan Kelantan Berhad (PKB) for giving me good information, constructive comments, valuable advice, and assistance in completing this project indirectly. All the contribution from all of you that involved in this assignment, only Allah can give the rewards to all of you.

Insyallah..... Amin....

## **ABSTRACT**

This study was to determine the factors that positively influence or affecting the gold price movement as in general since there were several factors that can influence the gold price in Malaysia. The factors that were selected in this study are called as independent variables. There are five independent variables which are inflation, Money Supply (M3), exchange rate, risk free rate and composite index (KLSE) that the statistical data could be found from Bank Negara Malaysia website. The findings of the study showed some factors do affecting gold price and some are not. We are managed to see whether the there is a relationship between dependent and independent variables and does correlation really exist between them. From the study conducted, the finding and the conclusion are defined, followed by a few of recommendations. This study will beneficial to the Malaysian economy, gold businesses and also to all the investors especially in Malaysia where they will be able to identify and recognize the major factors and causes that affecting the gold price movements.