



THE DETERMINANTS OF INFLATION IN MALAYSIA

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**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (BUSINESS ECONOMICS)
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DECLARATION OF ORIGINAL WORK



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ABSTRACT

This study investigates on the determinants of inflation in Malaysia. Using data of 35 years (1982 – 2016), Money Supply (MS), Unemployment Rate (UMR) and Exchange Rate (EXR) is tested against Inflation Rate (IFR) in a multi-linear regression analysis by using Ordinary Least Square (OLS) method. It found a positive, insignificant relationship between MS and IFR, negative and significant relationship between UMR and IFR, and negative, significant relationship between EXR and IFR