# THE DETERMINANTS OF INFLATION IN MALAYSIA

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## WITH HONOURS (BUSINESS ECONOMICS)
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DECLARATION OF ORIGINAL WORK

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**"DECLARATION OF ORIGINAL WORK"**

I, Wan Solehah Binti Jeffri @ Abu Ubaidah, 961218-11-5330.

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 extract have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature :_____          Date:_____

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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