



**THE IMPACT OF MACROECONOMIC VARIABLES ON MALAYSIA STOCK
MARKET**

HALIMAH BINTI AHBAR

2010834738

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS AND MANAGEMENT

UNIVERSITI TEKNOLOGI MARA KAMPUS KOTA

KOTA BHARU, KELANTAN

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LETTER OF TRANSMITTAL

The Head of Program

Bachelor of Business Administration (Hons) Finance

Faculty of Business and Management

University Technology MARA

15050 Kota Bharu,

Kelantan Darul Naim

Dear Madam,

SUBMISSION OF INDUSTRIAL TRAINING REPORT (FIN 667)

Attached is the project paper titled "THE IMPACT OF MACROECONOMIC VARIABLES ON STOCK MARKET".

This study is conducted in order to fulfill the requirement needed by faculty of Business Management University Technology MARA.

Thank you.

Your sincerely

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(Halimah bt. Ahbar)

2010834738

Bachelor of Business Administration (Hons) Finance

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ABSTRACT

This research was conducted to study the relationship between macroeconomic variables and stock market. The objectives of this research is to identify the relationship independent variables(inflation rates, exchange rates and oil price) and dependent variable (stock markets). This study also was conducted to determine the impact of macroeconomic variables on stock market, and lastly to identify which variables give the most significant impact to stock markets. Finally, the purpose of this study is to recommend the way to improve the stock market performance. The collection method used by researcher is secondary data which collected the data from Data Streams to run the data in SPSS's Software. After analyze it using SPSS, the result showed that there just one of Independent variable which is exchange rates had significant effects in Malaysia stock market. While for exchange rates and oil price there is no significant effects on stock markets. So that oil price and exchange rates can not be used to predict the stock price. For the most significant effect toward stock markets is inflation rates. To increase the stock price government should take action in decreasing the inflation rate of the Malaysia. To other researcher they can have further study on this topic by adding other variables.