



THE DETERMINANTS OF HOUSING PRICE INDEX

ERNA IDNA SUALI
2017662392

BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KOTA KINABALU, SABAH

JULY 2020

DECLARATION OF ORIGINAL WORK
BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
"DECLARATION OF ORIGINAL WORK"

I, Erna Idna Suali, (I/C Number: 961117-12-6014)

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

Signature: _____ Date: _____

TABLE OF CONTENTS

	PAGES
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	xi
LIST OF TABLES	xii
LIST OF ABBREVIATIONS	xiii
LIST OF APPENDICES	xiv
ABSTRACT	xv
CHAPTER ONE: INTRODUCTION	
1.0 Introduction	1
1.1 Research Background	1
1.1.1 Overview of Housing Price Index	2
1.2 Problem Statement	3
1.3 Research Questions	4
1.4 Research Objectives	
1.4.1 General Objectives	4
1.4.2 Specific Objectives	5
1.5 Significance of the Study	5
1.6 Scope and Limitation of Study	
1.6.1 Scope of Study	6
1.6.2 Limitation of Study	6
1.7 Chapter Layout	7
1.8 Chapter Summary	8

LIST OF TABLES

	PAGES
Table 1: Descriptive Statistics for Statistic Panel Data	23
Table 2: Correlation Coefficient Result	23
Table 3: Breitung Unit Root Test Result	24
Table 4: Levin-Lin-Chu Unit Root Test Result	25
Table 5: Hadri Unit Root Test Result	27
Table 6: Multicollinearity Test Result	28
Table 7: Heteroscedasticity Test Result	29
Table 8: Serial Correlation Test Result	29
Table 9: Result on Breusch Pagan LM Test	30
Table 10: Result on Hausman Test	30
Table 11: Regression Analysis	32
Table 12: Hypothesis Analysis	33

ABSTRACT

Developments in the housing market can have an important impact on macroeconomic, as well as financial. As with most economies, the housing market is an important component of domestic economy. For Malaysian, the country has experiencing a rising of urban growth since 1950's due to the increased in population and other economic movement. The factors that contribute to the high rate of urban growth such as migration, the population size and income level have significantly influenced the housing market. Besides, the increasing on demand of house and fluctuation of price has led to the changes in housing market. In most of the countries around the world, the affordability level is one of the keys driven for an individual to buy a real property such as house. Thus, affordability level is one of the important factors for an individual to buy and own a residential property.