

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP OF MACROECONMIC
VARIABLES TOWARDS STOCK PRICE
VOLATILITY**

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AUTHOR'S DECLARATION

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

The objective of this study is to determine relationship of macroeconomic variables toward the volatility of stock price. The price volatility of stock market is determined by several causes and it can come from various views. Several macroeconomic variables do give impact on the price volatility of stock market. The macroeconomics variables that selected to be used in this paper are the independent variables which are inflation rate, interest rate, exchange rate, and unemployment rate. The study was obtained over period year from 2013 to 2017 and based on time series data and Malaysia as the selected country. The dependent variable was measured in Malaysian Ringgit while the independent variables measured in percentage (%). The result from this study shows that exchange rate, inflation rate and unemployment rate are significance and positive relationship with the stock price volatility.

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