

**UNIVERSITI TEKNOLOGI MARA**

**EXAMINING SELECTED  
MACROECONOMIC FACTORS  
AFFECTING GOLD PRICE  
FLUCTUATIONS IN MALAYSIA**

**NUR YUSAHIRA BINTI YUSOFF  
2014561457**

**BBA (Hons) Business Administration  
Finance**

**December 2017**

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Thesis submitted in fulfillment  
of the requirements for the degree of  
**Bachelor of Business Administration  
(Finance)**

**Faculty of Business Administration**

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## **AUTHOR'S DECLARATION**

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA, Johor Branch, Segamat Campus. 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, Johor Branch, Segamat Campus regulating the conduct of my study and research.

Name of Student : Nur Yusahira Binti Yusoff  
Student I.D. No. : 2014561457  
Programme : Bachelor of Business Administration (Hons) Finance  
Faculty : Business Management  
Thesis : Examining Selected Macroeconomic Factors  
Affecting Gold Price Fluctuation In Malaysia

Signature of Student :  .....

Date : 21 December 2017

## ABSTRACT

In the recently year, gold price had been triggered the attention from the academic researchers due to the high price in the market. Many researches had been done related to gold in the past such as the role of gold and gold as the inflationary hedge. The gold commodity has always been eyed as a safe-haven investment and a hedge against inflation and financial instability, attracting investors during periods of stock market volatility and macroeconomic turbulences. In fact, and after several years of relative stability, gold prices have soared throughout the global financial crisis era, peaking at around \$1,900/ounce in September 2011. Besides, the important characteristics of gold hedge against uncertainty of economic condition had made gold served as an important investment tools in the market. The gold price is being fluctuate since 1970 until 2010 due to some factors. This research will be focused on examine the selected macroeconomic factors affecting gold price fluctuation in Malaysia. Multiple Linear Regression Model was employed in the entire regression models constructed in the study to determine significant relationship between dependent and independent variable. Time series data which is consist of 14 years of quarterly basis was collected to get a statistics of data based on the research conducted. Basically, quarterly basis data are collected from Data Stream. Data collected is consist of Gold Price, Crude Oil Price, Gross Domestic Product (GDP)and lastly is Inflation Rate(CPI). This data was collected according to the country selected which is Malaysia. The data would be gathered within 7 years period which is from 2003 to until second quarter of 2017.

Key words: GDP, CPI, Crude Oil Price, Multiple Linear Regression, Data Stream, Gold Price

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