

**UNIVERSITI TEKNOLOGI MARA**

**THE DETERMINANTS OF FOREIGN  
DIRECT INVESTMENT IN UNITED  
STATES**

**NUR IZZATI BINTI ALIAS**

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

**Faculty of Business and Management**

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## LETTER OF SUBMISSION

6<sup>th</sup> JULY 2017

Madam Nur Liyana binti Mohamed Yousop  
The Thesis Coordinator  
Faculty of Business Management  
Universiti Teknologi MARA  
85009 Segamat  
Johor

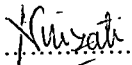
Dear Madam,

### **SUBMISSION OF PROJECT PAPER (FIN672)**

Attached is the project paper titled "**THE DETERMINANTS OF FOREIGN DIRECT INVESTMENT IN UNITED STATES**" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Your sincerely,

  
.....  
NUR IZZATI BINTI ALIAS  
2014501795  
Bachelor of Business Administration (Hons) Finance

## AUTHOR'S DECLARATION

I declare that the work in this 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 acknowledge 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 Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student	:	Nur Izzati Binti Alias
Student I.D. No.	:	2014501795
Programme	:	BBA (Hons) Finance
Faculty	:	Business and Management
Project Paper Title	:	The Determinants of Foreign Direct Investment in United States
Signature of Student	:	.....
Date	:	July 2017

## ABSTRACT

This paper aims to investigate the determinants that influence the foreign direct investment in United States. The determinants are being measure in order to know whether it affect the amount of the investment. The dependent variable is the inflows of foreign direct investment (FDI) and the independent variables to be used are macroeconomic factors, which are gross domestic product growth rate, openness, inflation rate and interest rate. This study attempts to investigate and examine the performance of foreign direct investment in United States for the period of 1970 until 2015 by using annual basis of time series. The data for each variable will be collected from the World Databank website. Multiple regression analysis will be used to identify the relationships between the dependent variables and independent variables. The result of this paper showed that openness, interest rates and inflation rate are the important determinants that affect the inflows of FDI in United States while GDP growth rates remain insignificant to the inflows of FDI in United States.

## TABLE OF CONTENTS

<b>LETTER OF SUBMISSION</b>	<b>i</b>
<b>AUTHOR'S DECLARATION</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>ACKNOWLEDGEMENT</b>	<b>iv</b>
<b>LIST OF TABLES</b>	<b>viii</b>
<b>LIST OF FIGURES</b>	<b>ix</b>
<b>LIST OF SYMBOLS</b>	<b>x</b>
<b>LIST OF ABBREVIATIONS</b>	<b>xi</b>
<b>CHAPTER ONE INTRODUCTION</b>	<b>1</b>
1.1 INTRODUCTION	1
1.2 BACKGROUND OF STUDY	1
1.3 PROBLEM STATEMENT	1
1.4 RESEARCH OBJECTIVE	3
1.5 RESEARCH QUESTION	3
1.6 SIGNIFICANCE OF STUDY	4
1.6.1 Student	4
1.6.2 Researcher	4
1.6.3 Investor	4
1.6.4 Government	4
1.7 SCOPE OF STUDY	5
1.8 LIMITATION OF STUDY	5
1.9 DEFINITION OF TERMS	5
1.9.1 Gross Domestic Product (GDP) Growth Rate	5
1.9.2 Openness	6
1.9.3 Inflation Rate	6
1.9.4 Interest Rate	6
1.10 SUMMARY	7
<b>CHAPTER TWO LITERATURE REVIEW</b>	<b>8</b>
2.1 INTRODUCTION	8
2.2 INFLOWS OF FOREIGN DIRECT INVESTMENTS	8
2.3 GROSS DOMESTIC PRODUCT (GDP) GROWTH RATES	9
2.4 OPENNESS	10
2.5 INTEREST RATE	10
2.6 INFLATION RATE	11