

UNIVERSITI TEKNOLOGI MARA

**FACTORS AFFECTING FOREIGN
DIRECT INVESTMENT (FDI) IN
MALAYSIA COMPARED TO CHINA
AND INDIA**

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Thesis submitted in fulfilment
of the requirements for the degree of
Bachelor of Business Administration
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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 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 Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

Foreign direct investment has become a necessity for any developing country in the world. It is an important element for a nation civilization and development. Hence, a continuous and reliable inflow of FDI is needed to ensure the prosperity of the country. Due to the uncertainties in the flow of FDI, a research has been conducted to identify the relationship between rate of inflation, growth domestic product (GDP), interest rate and money growth and towards FDI. The data for all variables including FDI are collected and compiled since 2008 until 2015. In achieving the research objectives, four methods were used. They were unit root test, Multicollinearity test, normality test, Heteroskedasticity test: white, correlation test: Breusch-Godfrey serial correlation LM and multiple linear regression models.

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