

UNIVERSITI TEKNOLOGI MARA

**DETERMINANTS OF THE PALM OIL PRICES IN
MALAYSIA**

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ABSTRACT

This paper aims to analyse the relationship between factors that affecting the price of palm oil in Malaysia. The study is conducted to determine the factors influencing palm oil prices in Malaysia. The researcher used four independent variables that affect the prices of palm oil which are Food Production (FP), Consumer Price Index (CPI), and Crude Materials (CM). The statistical test applied in this study which is, Descriptive Analysis, Augmented Dickey Fully (ADF) Unit Root Test, Normally Test, Ramsey RESET Test, and Regression Analysis. The main objective of this study is to justify which factor give more impact toward price of palm oil and as well as the factor that give least impact toward price of palm oil. Data for observation collected through many sources such as Statistic department, Bank Negara Malaysia (BNM), World Data Indicators and more. The expected results are there is positive significant relationship as follow the rule of thumb between all the variables.

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