



THE IMPACT OF MACROECONOMICS FACTOR TOWARDS  
NON-PERFORMING LOANS OF MALAYSIA  
CONVENTIONAL BANKS

MOHD SHAFIQ JAMALUDIN  
(2015270084)

BACHELOR OF BUSINESS ADMINISTRATION  
WITH HONOURS (FINANCE)  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
SABAH

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## DECLARATION

I Hereby declare that :

- i) This undergraduate research are results from my own work and acknowledgement have been given to ALL source of reference whether it is printed, personal or in electronic form
- ii) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university or other institutes of learning.
- iii) All of this research is done all by myself
- iv) The word count of this research report is 8208

Date: 1<sup>st</sup> July 2015

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## **Abstract**

This research paper holds a purpose to identify the impact of each macroeconomic factor that could affect non-performing loan. Inflation rate, unemployment rate, exchange rate and lending interest rate are the factor that has been chosen as the variables of this research. The data was collected on yearly basis and the period begins from year 2001, while ends at year 2016. The total sample size is 1065. Ordinary Least Square regression method is practiced to evaluate the regression. STATA12 programs were used to do the econometrics. There are few solutions adopted to solve the problems encountered during the research. The results turned out to be convincing and problems are being solved. The final results obtained from every tests in this paper matches with the findings.

Declaration.....	i
Abstract.....	ii

## TABLE OF CONTENTS

<b>CHAPTER 1 : INTRODUCTION .....</b>	<b>6</b>
1.1 Introduction.....	6
1.2 Research background .....	6-7
1.3 Problem Statement.....	8-11
1.4 Research Objectives.....	11
1.5 Research questions.....	12
1.6 Significance of study.....	12-13
1.7 Scope and limitations.....	14-15
1.8 Chapter outlines.....	15
 <b>Chapter 2 : Literature review and Conceptual Framework</b>	
2.1 Literature review .....	14
2.1.1 Review of the literature.....	14
2.1.2 Non-performing Loan.....	14-15
2.1.3 Inflation rate.....	15-16
2.1.4 Exchange rate .....	16-18
2.1.5 Unemployment rate .....	18-19
2.1.6 Lending Interest rates.....	20-21
2.2 Review of relevant empirical model	
2.2.1 Panel data analysis.....	21
2.3 Conceptual framework.....	22
 <b>Chapter 3: Data and Methodology</b>	
3.1 Data collection method .....	22-24
3.2 Methodology .....	25-28
3.3 Model specifications .....	29
3.4 Hypothesis Development.....	30
 <b>Chapter 4: Findings and Result .....</b>	<b>31</b>
4.1 Descriptive statistics .....	31

4.2 Stationary test.....	32
4.3 Poolability test .....	33
4.4 Regression Analysis .....	33-34
4.5 Diagnostic testing .....	35
<b>Chapter 5: Conclusion</b> .....	35
<b>Chapter 6: References</b> .....	36-40