



**UNIVERSITI TEKNOLOGI MARA**

**FACTORS AFFECTING FOREIGN  
DIRECT INVESTMENT DECISION  
IN MALAYSIA PERSPECTIVE**

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

**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.

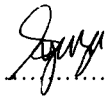
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## LETTER OF SUBMISSION

21 December 2017

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Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached here is the research report titled “Factors Affecting Foreign Direct Investment Decision in Malaysia Perspective” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA Johor Branch, Segamat Campus.

Thank you.

Sincerely,

  
.....

Syaza Najiha Binti Mohd Noor

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## ABSTRACT

The development and the economic growth of one country are depending on the foreign direct investment (FDI). Foreign Direct Investment (FDI) is one of an extremely important role of a country. Most of the developing countries are rely on the FDI to expose their country economy as they face lack of capital in their developing process. FDI bring out capitals, technology and skills into the developing countries that immediately helping to satisfy country's need.

In Malaysia growth performance, it really depends on FDI. It generates the economic growth by increasing the capital formation which include production capacity, export growth and employment in Malaysia. FDI inflows in Malaysia fluctuate in 1996 until 2010 and the volatility of FDI inflows drew questions to the researcher regarding the factors affecting FDI decision in Malaysia by annual time series data from 1982 until 2015. The dependent variables and independent variables are applied to the multiple regression model to examine the relation between both variables.

All independent variables are significantly and have the positive affect in the Malaysia FDI inflows except one of the independent variables. Further explanation regarding the one independent variables that are failed to be significant relationship with Malaysia FDI inflows.

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