



UNIVERSITI TEKNOLOGI MARA

**THE EFFECT OF MACROECONOMIC FACTORS
ON KLCI INDEX**

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of the requirements for the degree of
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AUTHOR'S DECLARATION

I declare that the work in this final year 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 for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


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ABSTRACT

The purposed of this research is to study the effect of macroeconomic factors on stock return in Malaysia. Macroeconomic variable known such as money supply, inflation rate, exchange rate and interest rate have an important role in measure of the economy growth in our country. Besides that, this macroeconomic variable will give impact whether the stock return in our country decrease or increases based on macroeconomic performance. Basically, there will be 48 observations over the monthly period from January 2006 until December 2009 that obtain from Thomson Reuters Data stream. The data is analysing using Eviews9. From the data we will obtain the result such as whether the macroeconomic variable will give a positive or negative impact to stock return in Malaysian and whether the dependent and independent variable have a significant or not significant relationship.

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TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENT	v-vi
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF SYMBOLS	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE INTRODUCTION	
1.1 Introduction	1
1.2 Research Background	1
1.3 Problem Statement	2-3
1.4 Research Questions	4
1.5 Research Objectives	4
1.6 Significance of the Study	4-5
1.7 Scope of the Study	5
1.8 Limitation of the Study	5
1.9 Definition of Key Terms	6-7
1.10 Summary	7
CHAPTER TWO LITERATURE REVIEW	
2.1 Introduction	8
2.2 Stock Return	8-10
2.3 Interest Rate	10-11
2.4 Exchange Rate	11-14
2.5 Money supply	14-16
2.6 Inflation Rate	16-17
2.7 Research Framework	18