

UNIVERSITI TEKNOLOGI MARA

DETERMINANTS OF INFLATION IN ASIA

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Final Year Project Paper submitted in fulfillment of the requirements for the degree of Bachelor of Business Administration (Finance)

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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 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, regulating the conduct of my study and research.

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ABSTRACT

Maintaining a low and stable inflation rate has become one of the challenges in the macroeconomic management of most countries. This study aims to examine the determinants of inflation in Asia. The analysis is carried out based on cross sectional analysis and multiple regression models. The period of study is year 2017. The data were collected from a particular database that is Data Stream and the information also is gathered from the previous journals and websites that are related with this study as a references. To conduct this study, EVIEWS (Econometric View) software from 10 version use to examine and analysed the data in order to get the outcome of the research whether the variables is positively or negatively significant to each other. The dependent variable are inflation which represent as consumer price index while, the independent variable are selected macroeconomics variables which are the gross domestic product, unemployment rate, broad money and exchange rate. The findings in this research shows that GDP, unemployment rate and exchange rate have positive relationship with the inflation in Asia while broad money have no significant relationship with the inflation in Asia.

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