



UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF FOREIGN STOCK INDICES,
FOREIGN EXCHANGE AND OIL PRICE ON
MALAYSIA STOCK MARKET: STUDY ON
CONSUMER PRODUCT SECTOR INDEX**

**MUHAMMAD AMRULLAH BIN MUSAK
2016726099**

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

Faculty of Business and Management

December 2018

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.


Name of Student : Muhammad Amrullah bin Musak

Student I.D. No. : 2016726099

Programme : Bachelor of Business and Administration (Hons)
Investment Management.

Faculty : Business and Management

Thesis : The Impact of Foreign Stock Indices, Foreign
Exchange and Oil Price on Malaysia Stock Market:
Study on Consumer Product Sector Index.

Signature of Student : 

Date : December 2018

ABSTRACT

This paper study on the relationship between the impact of foreign stock indices and oil price on Malaysia stock market. The Malaysia stock market that we take as the indicator is the Consumer Product sector index. In this study we just focus on the Consumer Product sector index. We want to know the effect foreign stock indices that are like Nasdaq composite index, Dow Jones indices Average Index and Nikkei toward the Consumer Product Sector index. In this study we also see the effect of foreign exchange toward Consumer Product Sector index. The study shows there is significant effect of the foreign exchange toward the Consumer Product sector in Malaysian Stock index. Oil price also the most important thing that can effects the indices of a market. This study also includes the Consumer Product Stock index in Malaysia stock market is not effect by the oil price movement. Thus this may give the investor to get more alert on the relationship of the Foreign Stock Indices and oil price toward Consumer Product index.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF ABBREVIATIONS	ix
CHAPTER ONE INTRODUCTION	1
1.1 Introduction	1
1.2 Research Background	2
1.3 Problem Statement	5
1.4 Research Questions	6
1.5 Research Objectives	6
1.6 Significance of the Study	6
1.7 Scope of the Study	7
1.8 Limitation of the Study	8
1.9 Definition of Key Terms	8
1.10 Summary	9
CHAPTER TWO LITERATURE REVIEW	10
2.1 Introduction	10
2.2 Literature Review On the Topic	10
2.3 Literature Review On Foreign Indices Toward Malaysia Stock Market.	11
2.4 Literature Review On Foreign Exchange	11
2.5 Literature Review On Oil Price Toward Malaysia Stock Market	12
2.6 Research Framework	12
2.7 Summary	14

LIST OF TABLES

Tables	Title	Page
Table 4.1	Descriptive Analysis	29
Table 4.2	Unit Root Test	20