



**UNIVERSITI TEKNOLOGI MARA**

**THE DETERMINANTS OF MONEY DEMAND IN  
MALAYSIA**

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

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## **AUTHOR'S DECLARATION**

I, the undersigned, hereby stated that the work in this final year project has been implemented in accordance with the rules of Universiti Teknologi MARA. This submission is entirely my own words, my own work and all the sources used in this research paper are fully acknowledged and all citations are properly identified. This research paper has not been submitted to academic institution or other non-academic institution for any degree or qualifications.

I, hereby, acknowledge that I have been provided with the Rules and Academic Regulations for Undergraduates, Universiti Teknologi MARA, which regulate the implementation of my study and research.


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## **ABSTRACT**

Demand for money is holding the desired financial assets either in cash or bank savings rather than make an investment. As we can see nowadays, demand for money keep on increasing each year and in every sectors. Furthermore, people who working by themselves are also get affected in order to provide basic needs to their family. From the past 10 years, we can see that the demand for money in Malaysia keep on raising from year to year. This will give impact on the cost of living to people especially to those who has low income. Sometimes, they need to do more than one job to give proper life for their family. People who are involved in business also faced the same problem due to increase in cost of operation. This research examines and understanding of variables that affect the money demand in Malaysia. The secondary data is gathered from the World Bank Data. The data is gathered from year 1989 to 2018. In addition, econometrics tests are employed to observe the affect of independent variables which is gross domestic product (GDP), exchange rate, consumer price index (CPI) and interest rate towards money demand. E-views would be used for testing and analysing the data collected.

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