



**UNIVERSITI TEKNOLOGI MARA**

**DETERMINANTS  
OF  
HOUSEHOLD DEBT  
IN  
MALAYSIA**

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## **ABSTRACT**

The increasing of household debts in recent years giving a concern to the country which is Malaysia. This study aims to know the determinants of household debt from the year 1989 until 2019. This study uses the Ordinary Least Square (OLS) to measure the data and also includes macroeconomic variable such as income level, employment, interest rates, loans and consumption. The result for the trend of household debt is increase from 1989 to 2019 and the GDP and employment give result positive relationship while consumption and interest rate gives a negative relationship. Interest rate has been found to be the most significant factor to the household debt in Malaysia.

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## TABLE OF CONTENTS

	<b>Page</b>
<b>ABSTRACT</b>	<b>i</b>
<b>ACKNOWLEDGEMENT</b>	<b>II</b>
<b>CHAPTER ONE INTRODUCTION</b>	<b>1</b>
1.1 Introduction	1
Figure 1.1: Household Debt in Malaysia	1
1.2 Research Background	2
1.3 Problem Statement	3
Figure 1.2: Forecasted Household Debt in Malaysia	4
1.4 Research Questions	4
1.5 Research Objectives	4
1.6 Significance of the Study	4
1.7 Scope of the Study	5
1.8 Limitation of the Study	5
1.9 Definition of Key Terms	6
1.10 Summary	7
<b>CHAPTER TWO LITERATURE REVIEW</b>	<b>8</b>
2.1 Introduction	8
2.2 Household Debt	8
2.3 Income (GDP)	9
2.4 Employment	9
2.5 Private Consumption	10
2.6 Interest rate	11
2.7 Total Debts	11
2.8 Research Framework	13
Figure 2: The Determinants of Household Debt	13
2.9 Summary	13

<b>CHAPTER THREE RESEARCH METHODOLOGY</b>	<b>14</b>
3.1 Introduction	14
3.2 Sampling Design	14
3.3 Data Collection	14
3.4 Variable	15
3.5 Research Design	15
3.6 Hypotheses Statement	16
3.7 Research Methodology	17
Table 1: Interpretation Guides	18
3.8 Summary	20
<b>CHAPTER FOUR DATA ANALYSIS</b>	<b>21</b>
4.1 Introduction	21
4.2 Descriptive Analysis	21
Table 2.1: Descriptive Statistics	21
4.3 Correlation Analysis	22
Table 2.2: Correlation Result	22
Table 2.3: Result Analysis	23
4.4 Test on Assumptions	24
Figure 3: Normality	24
Table 3.1: Heteroskedasticity Test: White	25
Table 3.2: VIF	25
4.5 Multiple Regression Analysis	26
Table 4.1: Ordinary Lease Square	26
Table 4.2: Hypothesis Result	28
4.6 Summary	29
<b>CHAPTER FIVE CONCLUSION AND RECOMMENDATION</b>	<b>30</b>
5.1 Introduction	30
5.2 Conclusion	30
5.3 Recommendation	32
5.4 Summary	33