THE EFFECT OF LUCKY AND UNLUCKY DATE TOWARDS STOCK RETURN: EVIDENCE FROM CHINA LISTED COMPANY IN BURSA MALAYSIA

GLORIA GIRLL JOSEPH JANAWI
2015839818

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
(UITM) SABAH

JUNE 2017

ACKNOWLEDGEMENT

First and the foremost, I would like to express my biggest gratitude to my advisor, Madam Flicia Rimin for her exemplary guidance, advice, valuable suggestion, constant encouragement and moral support throughout the completion of this project. In addition, I would not forget to mention Mr Jasman Tuyon as my examiner for his comment that greatly improved the manuscript.

I would also like to thank all my fellow course mate and friends for their tolerance, support, time and guidance during the completion of the manuscript. I am very pleased to have your brilliant ideas and appreciate your willingness to share and success together.

Finally, I would like to take this chance to thank all my family members for their unlimited support, time and prayer upon the period in completion the manuscript. Special thanks also to my parents who always give me strength and support to complete all the task and project in time. Last but not least, I would love to grab this chance to thank those who contributed themselves directly or indirectly in assisting me during the completion of manuscript. Thank you very much.

TABLE OF CONTENT

		Page
TITLE PAGE		i
DECLARATION OF ORIGINAL WORK		ii
LETTER OF TRANSMITTAL		iii
ACKNOWLEDGEMENT		iv
TABLE OF CONTENT		v
LIST OF FIGURES		vii
LIST OF TABLE		viii
LIST OF ABBREVIATION		ix
ABSTRACT		x
CHAPTER 1	**INTRODUCTION**	
	1.1 Background of Study	1
	1.2 Problem Statement	6
	1.3 Research Objective	7
	1.4 Scope of Study	7
	1.5 Limitation of Study	8
	1.6 Significant of Study	8
	1.7 Definition of Term	9
	1.8 Organization of Event	9
CHAPTER 2	**LITERATURE REVIEW**	
	2.1 Introduction	10
	2.2 Efficient Market Hypothesis	10
	2.3 Overview of China Listed Companies In Bursa Malaysia	12
	2.4 The Effects of Lucky Date Towards Investment Return	13
	2.5 The Effects of Unlucky Date Towards Investment Return	14
	2.6 The Differences Between Chinese And Gregorian Calendar	15
	2.7 Chapter summary	16
CHAPTER 3	**RESEARCH METHODOLOGY**	
	3.1 Introduction	17
	3.2 Type and Sources of Data	17
	3.3 Research Population and Sample	18
	3.4 Empirical Model	19
	3.5 Measurement of variable	19
	3.5.1 Stock Return	19
	3.5.2 Lucky date	19
	3.5.3 Unlucky date	20
	3.5.4 Trading Volume	20

	3.6 Theoretical Framework	20
	3.7 Estimation Procedure using time series analysis	21
	3.8 Hypothesis Testing	23
	3.9 Flow of Research Methodology	24
	3.10 Chapter Summary	25
CHAPTER 4	**DATA ANALYSIS AND FINDING**	
	4.1 Introduction	26
	4.2 Empirical Results	
	4.2.1 Descriptive Analysis	26
	4.2.2 Unit Root Analysis	27
	4.2.3 Regression Test	28
	4.2.4 Multicollinearity Test Analysis	29
	4.2.5 Autocorrelation Test Analysis	30
	4.2.6 Heteroscedasticity Test Analysis	30
	4.3 Findings	31
CHAPTER 5	**CONCLUSION**	
	5.1 Conclusion	32
	5.2 Recommendation	32
REFERENCES		33
APPENDICES		35

ABSTRACT

This study is conducted to analyse the effect of 'lucky' and 'unlucky' date towards the stock return which focused on the stock return in Malaysia. According to the Zhang H. and Zian M. (2012), the Chinese culture believe that certain digits are consider as lucky and others unlucky. Therefore, this research focused on the Chinese investor to identify the relationship between the lucky and unlucky date towards stock market return. This study investigates the trading volume to measure the lucky and unlucky date variables Lucky and unlucky date are indicators for the factors that will affect the market return. The data comprised with Chinese calendar to collect the lucky and 'unlucky' date while for the stock return data was collected from the Datastream and Yahoo Finance in weekly basis from year 2013-2016. As the finding results, this study found out that the lucky data have significant relationship between the stock market return. On other hand its result showed that the unlucky data not significant with the stock return variables. As the conclusion, the chinese beliefs have significant relationship in investment activity among the chinese investors.

Keywords : *Chinese belief, Stock Return, Trading Volume, China Listed Companies, lucky date, unlucky date, Datastream, Yahoo Finance, E-VIEW.*