



اَوْنِيُورْسِيْتِي تِيكْنُولُوجِي مَارَا

UNIVERSITI TEKNOLOGI MARA
CAWANGAN KELANTAN

**A STUDY ON THE FACTORS
AFFECTING THE EXPORT OF
MALAYSIAN NATURAL RUBBER**

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LETTER OF SUBMISSION

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Prof. Madya. Tuan Haji Sapiai Bin Abdul Rahman
The Head of Program
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Dear Sir,

SUBMISSION OF PROJECT PAPER (FIN 660)

Attached is the project paper titled “A STUDY ON THE FACTORS THAT AFFECTING THE EXPORT OF MALAYSIAN NATURAL RUBBER (NR)” to fulfill the requirement as needed by the Faculty of Business and Management. MARA University of Technology. Thank you.

Yours Sincerely,

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ACKNOWLEDGEMENT

“In the name of Allah, The Merciful, The Beneficent”

Glory to Allah S.W.T, the most gracious, the most merciful and peace is upon his messenger Holy Prophet Muhammad S.W.A all the worship belongs to Allah only. Without the grace and help of Allah S.W.T, it would be virtually impossible for me to have the courage, endurance and spirit to complete this project paper.

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May ALLAH the Almighty, Lord of the World, Bless every all of you.

Thank you.....

ABSTRACT

This study concerned on the quantitative examination of the factors that affecting the export of Malaysian natural rubber (NR). The period of study is from year 1996 until 2003 to see the volatility of export Malaysia natural rubber. So, from that, this study focuses on what caused the movement of export of natural rubber in Malaysia. In another words, what are the critical factors that affecting the export volume of natural rubber? To what extent the changes in exchange rate, production level and export price effect export volume of natural rubber?

To meet the above objectives, a general model and hypotheses statement were developed to analyze the relationship of export volume of Malaysian natural rubber with the affecting factors for the period 1996 to 2003. The researcher chooses to use both Simple Linear Regression and Multiple Linear Regression to analyze the data by using SPSS computer software package.

The secondary data are used on time series observation from 1996 to 2003. The data consist of monthly data of Malaysian natural rubber export volume, production and domestic consumption. The data set was compiled by Malaysian Rubber Board (MRB) from 1996 to 2003.

Based on the data analysis and findings, which using Simple and Multiple Linear Regression, the result shown that the exchange rate, production level and export price with lagged one-month export volume are significant to changes in export volume of Malaysian natural rubber (NR). However, by using Multiple Linear Regression, the exchange rate is not significant to changes in export volume of Malaysian natural rubber (NR).

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