



THE RELATIONSHIP BETWEEN MACROECONOMIC VARIABLES AND STOCK
MARKET IN MALAYSIA

SAHDERI BIN KADIR
2017684256

BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KOTA KINABALU, SABAH

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ABSTRACT

This study examined the relationship between macroeconomic variables and the stock market performance in Malaysia from year 1989 to 2018. From the 30 data observations, this research were analyzed using the EViews 9 software in generating the result. The selected macroeconomic variables are gross domestic product (GDP), money supply and interest rate used to determine the impact of selective variables on stock market performance. Many researchers from the previous study suggested that money supply is the most affect to stock price fluctuation. Similarly the result of this study found that the independent variable of money supply is the most affected to stock market performance in Malaysia.