



**INTERDEPENDENCY BETWEEN SOUTHEAST ASIA COUNTRY STOCK
EXCHANGE: BASED ON SMALL CAPITAL INDEX**

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JULY 2015

ACKNOWLEDGEMENT

In The Name of Allah the Most Merciful and Most Compassionate

Alhamdulillah, I received a great deal of help and assistance in completing and putting this study all together. It is a pleasure to express my appreciation to those who inspired and motivated me to finish this research.

First of all, I would love to express my deepest appreciation to my advisor, Dr. Fahmi bin Abdul Rahim, for his constructive comments, guidance, patience and valuable time in helping and editing this thesis. Without all his dedication and effort to monitor me during my internship and doing my research, I would not be able to do my best in completing this research. My sincere gratitude also goes to my second advisor, Pn. Shahreena binti Daud for her kindness and advices.

I would also like to express my gratitude to all staffs from Carigali-PTTEPI Operating Company Sdn Bhd (CPOC), Finance Department which I am attached to during my industrial training. Thank you for all the opportunity, trustworthy and cooperation.

Last but not least, my deepest gratitude goes to my beloved family for their endless love, prayers and encouragement. To those who indirectly contributed in this research, your kindness means a lot to me. May Allah s.w.t bless all of you. Thank you very much.

ABSTRACT

The aim of the study is to investigate the association and relationship between Southeast Asia stock exchange which consist of FTSE Bursa Malaysia KLCI small capital index, Indonesia Stock Exchange small capital index, Stock Exchange of Thailand small capital index, Singapore Exchange small capital index and Philippines Stock Exchange small capital index. The study used Correlation Analysis Statistic and Multiple Linear Regression to obtain the research objective. The daily closing price of stock market indices is collected from 3rd April 2006 to 29th April 2015. From the results, it reveal that all of the Southeast Asia market based on small capital index has a significant positive relationship between each markets. It means that there are association and relationship exist between Southeast Asia stock exchanges in small capital index. These results further our understanding of the relationship between the stock market in Southeast Asia and should be useful for parties that involve in the stock markets.

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