



**DETERMINANTS OF SAVING BEHAVIOUR:
EVIDENCE IN MALAYSIA**

**AYU ANABIHAH BINTI YUSOFF
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**BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS
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**FACULTY OF BUSINESS AND MANAGEMENT
UNIVERSITI TEKNOLOGI MARA (CAWANGAN TERENGGANU)**

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ABSTRACT

The purpose of this research is to determinants of savings behavior in Malaysia in which study about the relationship between savings and independent variables such as consumptions, income, inflation and rate of return. The data of this research is a secondary data and resource of the data was obtained from World Bank. The period of data in this research are focused on year 1981 until 2016 whereby this research has 36 observations by using method of quantitative research, Regression Model and Ordinary Least Square (OLS) method. This research is also provided the yearly data and will run all of the data to make the observation about relationship among variables. In this research, there are two types of variable which are dependent variable and independent variables.

By the observation result, it was shown that consumptions, income and rate of return have positive relationship with savings. Meanwhile, the Inflation rate has negative relationship with savings. In this research, there is no autocorrelation problem for the Durbin Watson.