

## LETTER OF SUBMISSION

29<sup>th</sup> June 2014

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Bachelor of Business Administration (Hons) (Finance)  
Faculty of Business Management  
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Dear Sir/Madam,

### **SUBMISSION OF PROJECT PAPER (FIN667)**

With reference to the above matter, I am student BBA (Hons) Finance would like to submit a project paper entitled **“The Impact Of Housing Price In Malaysia Towards Macroeconomic Variables”** to fulfil the requirement as needed by the Faculty of Business Administration and Management, University Technology MARA.

Thank you,

Yours sincerely,

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Bachelor of Business Administration with Honours (Finance)

## ACKNOWLEDGEMENT



In the Name of Allāh, the Most Gracious, the Most Merciful

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## ABSTRACT

Housing price in Malaysia nowadays is become crazily increase from year to year. This study was attempted to identify the factors that influence housing price in Malaysia. Therefore, this research is conducted in order to find out the most influential factors of housing price in Malaysia. The dependent variable in this study is housing price while the independent variables are interest rates, inflation rates and gross domestic product. Data is collected from Bursa Malaysia, Bank Negara Malaysia and also Data Stream. The research methodology uses quarterly time series data which consist of three independent variables and one dependent variable for 14 years since (2000-2013). All data were being process using STATA 10.1 Software. The findings shows that all independent variables is significant with dependent variables but moves in different direction which is two independent variables shows negative relationship while one variables shows positive relationship. It means that all the independent variables has significance relationship with the dependent variable. At the same time, inflation rate is the most influence factor in determining the house price fluctuation. For further studies, a wider scope is recommended where more determinant factors can be taken into research in order to obtained good result.

**Key words:** Housing Price Index, Interest Rate, Inflation Rate, Gross Domestic Product, Macroeconomic