UNIVERSITI TEKNOLOGI MARA

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THE RELATIONSHIP BETWEEN GROSS DOMESTIC PRODUCT WITH FUEL PRICES, STOCK PRICES AND INTEREST RATE

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بِسْمِ ٱللَّهِ ٱلرَّحْمَٰنِ ٱلرَّحِيمِ

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

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ABSTRACT

As we know, gross domestic product (GDP) measures the monetary value of final goods and services. GDP is composed of goods and services produced for sale in the market and also include some nonmarket production, such as defense or education services provided by the government. This study was conducted to analyze the relationship between gross domestic with fuel prices, stock price and interest rate using time series analysis method. Johansen cointegration technique, error correction model and Granger causality tests were used to estimate those relationships. For future recommendation, the researchers should attempt to use panel data and forecast more the variables to get the accuracy data.

Keyword: Gross Domestic Product, Fuel Price, Interest Rate, Stock Price, Performance

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CHAPTER 4 – FINDING & ANALYSIS