DETERMINANTS OF HOUSEHOLD BANKRUPTCY

IN MALAYSIA

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ABSTRACT

This study examines the determinants of household bankruptcy in Malaysia with variables where Bank Lending Rate (BLR), Inflation Rate (INF), Non Performing Loan (NPL) and Unemployment Rate (UEM). This research employs monthly time series data throughout year 2009 until 2018 with total observations of 92. The test had been tested using statistical EViews 10 software. This study is used Ordinary Least Square (OLS) Method to obtain the results. This study use the number of Household Bankruptcy (BC) in Malaysia as dependent variables. In the nut shells, the results revealed the Bank Lending Rate and Unemployment Rate have negatively significant on the number of Household Bankruptcy. The Inflation Rate and Non Performing Loan show positively significant on the number of Household Bankruptcy. The findings could provide some guidance to the future researcher in monitoring the Household Bankruptcy in Malaysia.

Keywords: Household Bankruptcy, Bank Lending Rate, Inflation Rate,Non Performing Loan, Unemployment Rate

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