

DECLARATION OF ORIGINAL WORK



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- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for degree or any program.
- This project is independent work and research by my own expect otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specially acknowledge.

Signature:

Date: 08/01/20

ACKNOWLEDGEMENT

Bismillahirrahmannirrahim....

First and foremost, all praises due to Allah SWT for His blessing in giving me the ability to complete this research paper. I would like to express my appreciation to several people around me who always guide and support me unconditionally all my way to finish this research paper.

Firstly, I would like to say thank you to Madam Zuraida Mohamad for always help and guide me in completing this research successfully. This research is really challenging for me but she keeps on stay cool and always convinced me that I can complete this. Without her guidance and persistent help, this report would not have been possible to be done. I would also like to say thank you to my second advisor Madam A'tiqah Abu Samah for giving good relative comments regarding to my report.

Last but not least, best regards to my family and friends for their endless help and support in completing this subject. Thank you for believe and patient with me all the time. Also thank you for keeping me motivated all the way. All of your presence really meant to me.

TABLE OF CONTENTS

DECLARATION OF ORIGINAL WORK	i
LETTER OF SUBMISSION	ii
ACKNOWLEDGEMENT	iii
LIST OF ABBREVIATIONS	vi
LIST OF TABLES	vi
LIST OF FIGURE	vi
ABSTRACT	vii

CHAPTER ONE: INTRODUCTION

1.0 Background of Study	1
1.1 Background of FTSE	2
1.2 Problem Statement	3
1.3 Research Question	4
1.4 Research Objective	4
1.5 Scope of Study	4
1.6 Significant of Study	4
1.6.1 Future Researcher	4
1.6.2 Student.....	5
1.7 Limitations of Study	5
1.8 Operational Definitions	5
1.8.1 Dependent Variable.....	5
1.8.1.1 Stock Market	5
1.8.2 Independent Variable	5
1.8.2.1 Exchange Rate.....	5
1.8.2.2 Growth Domestic Product.....	6
1.8.2.3 Interest Rate.....	6
1.8.2.4 Inflation Rate	6

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction	7
2.1 Stock Market	7
2.2 Exchange Rate	7
2.3 Growth Domestic Product.....	8
2.4 Interest Rate.....	9
2.5 Inflation Rate	10

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction11

3.1 Research Design11

 3.1.1 Empirical Function.....11

 3.1.2 Empirical Model.....11

3.2 Theoretical Framework12

3.3 Hypothesis.....12

3.4 Data Collection Method13

3.5 Data Analysis13

3.6 Measurement Analysis13

 3.6.1 Descriptive Statistics14

 3.6.2 Pearson Correlation Between Variables14

 3.6.3 Regression Model14

 3.6.4 Regression Square (R^2).....14

 3.6.5 T-Statistics14

 3.6.6 F-Statistics15

 3.6.7 Durbin Watson15

3.7 Evaluation of The Result15

3.8 Procedure of Data Analysis.....15

3.9 Variable Description15

 3.9.1 Dependent Variable.....15

 3.9.2 Independent Variable16

CHAPTER FOUR: FINDINGS AND ANALYSIS

4.0 Introduction17

4.1 Descriptive statistics17

4.2 Pearson’s correlations.....18

4.3 Multiple Regression19

4.4 Coefficient20

4.5 Result Discussion20

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction22

5.1 Conclusion & Recommendations22

REFERENCES23

APPENDICES.....27

ABSTRACT

This study examines the determinants of Malaysia's stock market performance against the macroeconomic factors. The data employed in this study is from January 2007 until December 2018. Specifically, the stock data used is the top 100 leading firms (FBM100) as the dependent variables. Independent variables used in this study are exchange rate, gross domestic product, interest rate and inflation rate. As for runned data, this paper used Descriptive Statistic, Pearson Correlation, Regression Model, Correlation Coefficient and Multicollinearity test. It is found that the exchange rate has negative relationship with FBM100. Meanwhile, gross domestic product (GDP) and interest rate are found to have significant relationship with FBM100. However, the inflation rate has negative relationship with FBM100. This study uses all macroeconomic factors in one model as well as the stock market.

Keyword : Gross domestic product, exchange rate, interest rate, inflation rate.