EXPORT OF NATURAL RUBBER IN MALAYSIA: FACTORS DETERMINE FROM TOTAL PRODUCTION, PRICE AND CONSUMPTION ASPECT

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TABLE OF CONTENTS

	Pages
LETTER OF TRANSMITTAL	**i**
DECLARATION OF ORIGINAL WORK	**iii**
ACKNOWLEDGEMENT	**iv**
LIST OF TABLES	**v**
LIST OF FIGURES	**vi**
ABSTRACT	**vii**
CHAPTERS	
1. INTRODUCTION	**1**
1.1. Background	1
1.2. Problem Statement	4
1.3. Objective	5
1.4. Significance of Study	5
1.5. Hypothesis	6
1.6. Limitations	7
1.6.1. Data Accessibility and Availability	7
1.6.2. Time constraint	7
1.6.3. Lack of Experience	7
1.6.4. Lack of Related Issue	7
1.7. Definitions of Terms	8
1.7.1. Export	8
1.7.2. Natural Rubber	8
1.7.3. Consumption	8
1.7.4. Production of Natural Rubber	9
1.7.5. Price	9

2. LITERATURE REVIEW **10 - 13**

3. RESEARCH METHODOLOGY AND DESIGN **14**

3.1 Theoretical Framework 14

3.2 The Data Collection 15

3.3 Sampling size 16

3.4 Data Processing Size 16

3.5 Model Specification 17

3.5.1. Unit Root Test 17

3.5.2. Simple Linear Regression Models 17

3.5.3. Multiple Linear Regression Models 20

3.5.4. Multiple log-linear Regression Models 21

3.6 Procedures for Analysis of Data 22

3.6.1. Coefficient of Determination 22

3.6.2. T-test 22

3.7. Problem in Multiple Regression Analysis 23

3.7.1. Autocorrelation 23

3.7.2. Multicollinearity 23

4. ANALYSIS AND INTERPRETATION OF DATA **24**

4.1. Unit Root Test 25

4.2. Simple Linear Regression Model 27

4.3. Multiple Regression Model 33

4.4. Multiple Log-Linear Regression Model 35

4.5. Problems in Multiple Log-Linear Regression Model 36

4.5.1. Autocorrelation 36

4.6. Variables Relationship and Sign Expectation 38

4.6.1. Export and Price 38

4.6.2. Export and Production 39

4.6.3. Export and Consumption 39

ABSTRACT

The objective of this study is to examine the factor that determines the export of natural rubber in Malaysia. Several variables are taken into account in this study. They include: consumptions, price of natural rubber and annual total production of natural rubber both from smallholdings and estates. By using time series data in year 1980 to 2009 all variables mentioned above will be tested with Ordinary Least Square (OLS) using simple and multiple regression models. Based on the results, factor that determine more to export is production while the others two variables which are price and consumption only give small impact to the natural rubber export. Through the findings in this study, recommendations or suggestions which correspond to the factor that determine export of natural rubber in Malaysia will be provided.

Keywords: Export, natural rubber, consumptions, total production, price and OLS.