HOUSING DEMAND IN MALAYSIA

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TABLE OF CONTENTS

	PAGE
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMSSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v - vii
LIST OF FIGURES	viii
LIST OF FORMULA	ix
LIST OF TABLES	ix
LIST OF ABBREVIATIONS	x
ABSTRACT	xi
CHAPTER 1 INTRODUCTION	
1.0 INTRODUCTION	1 - 4
1.1 BACKGROUND OF STUDY	5-6
1.2 PROBLEM STATEMENT	7-8
1.3 OBJECTIVE OF STDY	8
1.4 SCOPE OF STUDY	9
1.5 THEORETICAL FRAMEWORK	10
1.6 LIMITATION OF STUDY	11
1.7 SIGNIFICANCE OF STUDY	12
CHAPTER 2 LITERATURE REVIEW	
2.1 HOUSING DEMAND IN MALAYSIA	13-14
2.2 SIGNIFICANCE OF GEOGRAPHIC FACTOR	15
2.3 SOCIO-ECONOMIC	15-16
2.4 HOUSING CHARACTERISTICS	17-20
2.5 BASE LENDING RATE (BLR)	20-21

CHAPTER 3 DATA AND METHODOLOGY

3.1 INTRODUCTION 22

3.2 METHODOLOGY

3.2.1 DESCRIPTIVE STATISTICS 22

3.2.1.1 JARQUE-BERA TEST OF NORMALITY 22

3.2.2 T-TEST 23

3.2.3 F-TEST 23

3.2.4 ORDINARY LEAST SQUARES (OLS) 24

3.2.4.1 SIMPLE REGRESSION ANALYSIS 24

3.2.4.2 MULTIPLE LINEAR REGRESSION ANALYSIS 25

3.2.4.3 MULTICOLLINEARITY 26

3.2.5 HETEROSCEDASTICITY 26

3.2.6 UNIT ROOT TEST 26

3.2.7 AUTOCORRELATION 26

3.3 DATA COLLECTION 27

3.4 STATISTICAL SOFTWARE 27

3.5 DATA ANALYSIS AND HYPOTHESIS TESTING 28-29

CHAPTER 4 RESULT AND FINDING

4.1 INTRODUCTION 30

4.2 DESCRIPTIVE ANALYSIS AND TEST 30-32

4.2.1 JARQUE-BERA TEST OF NORMALITY 32

4.3 T-TEST 33-35

4.4 F-TEST 36

4.5 ORDINARY LEAST SQUARES 37

4.5.1 SIMPLE REGRESSION ANALYSIS 37-41

4.5.2 MULTIPLE LINEAR REGRESSION ANALYSIS 42-45

4.5.3 MULTICOLLINEARITY 45

ABSTRACT

This research consists three main objectives which is to explain factors that determines impact toward household demand toward a house, to investigate the relationship between housing demands toward income per capita, price of house itself, population in Malaysia, and BLR and last but not least is to determine the main factors that influences household demand toward housing in term of geographic factor (population), income per capita and housing characteristic (housing market price) and BLR. This study will help researchers to understanding the housing demand in Malaysia and other variable that changes the consumers demand toward dwelling unit. Hence, other variable that influence consumers demand toward housing demand is Base Lending Rate (BLR), housing price index, per capita income, and population. Based on those three variables, there will be variables that mostly influence and effect consumers decision toward a dwelling units. Moreover, this research are using secondary data in which data are collected on websites and to add more, cross-sectional data are being chosen because in this research are using panel data that deal other countries data such as Malaysia, Thailand, Australia and Canada data. From four countries, each countries data collected starting from year 2005 up to 2013. The statistical software which is Eview7 is being used in order to analyze and to generate the data. The result from the multiple regression analysis shows only housing price index give positive relationship toward housing demand and this result has supported by previous research by (Stein, 1995), who state a positive connection between the dwelling unit price and consumer housing consumption for an housing demand in term of single house unit. Other variable such as BLR, per capita income and population shows negative relationship toward housing demand.