



THE FACTORS AFFECTING GOLD PRICE IN MALAYSIA

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2015140123

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JANUARY 2018

ACKNOWLEDGEMENT

In the name of Allah, the Most Beneficent, the Most Merciful and peace be upon our Prophet Muhammad S.A.W. I would like to take this opportunity to extend our utmost gratitude and sincere appreciation to the following people that had made this day a realization. The project had been successfully completed with their help, whether directly or indirectly.

Foremost, I would like to express our gratitude to my advisor Madam Maymunah binti Ismail for the continued support, for the patience, motivation and her wide knowledge. Her guidance is very beneficial to us to do a research. I much appreciated for what she had done. Without her, this report will not success.

I also would take this opportunity to extend our appreciation to all those who have assisted in one way or another in the completion of this research paper. Last but not least, my deepest gratitude to my beloved family for their unwavering support, invaluable assistance and sincere blessing.

Thank you.

TABLE OF CONTENTS

	Page
TITLE PAGE.....	i
DECLARATION OF WORK.....	ii
LETTER OF TRANSMITTAL.....	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENTS.....	v-vii
LIST OF FIGURES.....	viii
LIST OF TABLES.....	ix
ABSTRACT.....	x

CHAPTER 1: INTRODUCTION

1.0 Introduction.....	1
1.1 Research Background.....	1-3
1.2 Problem Statement.....	4-6
1.3 Research Questions.....	7
1.4 Research Objectives.....	7
1.5 Hypotheses Development.....	7-8
1.6 Significance of Study.....	9-10
1.7 Limitations of Study.....	10

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction.....	11
2.1 Review of the Literature.....	11-15
2.2 Conclusion.....	16

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction.....	17
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3.1 Research Design.....	17-18
3.2 Data Collection Method.....	18
3.3 Data Processing.....	19
3.4 Theoretical Framework.....	20
3.5 Data Analysis.....	21
3.5.1 E-views.....	21
3.5.2 Unit Root Test.....	21
3.5.2.1 Augmented Dickey-Fuller (ADF) Test.....	22
3.5.2.2 Philip-Perron (PP) Test.....	22
3.5.3 Normality Test.....	22
3.5.3.1 Jarque-Bera Test.....	22-23
3.5.4 Descriptive Statistic.....	23
3.5.5 Ordinary Least Square.....	23
3.5.6 Diagnostic Test.....	23-24
3.5.7 Multi Linear Regressions.....	24
3.6 Conclusion.....	25

CHAPTER 4: DATA ANALYSIS

4.0 Introduction.....	26-27
4.1 Result of Analysis.....	27
4.1.1 Unit Root Test.....	27-29
4.1.2 Descriptive Analysis.....	29-31
4.1.3 Diagnostic Checking of Multiple Linear Regressions.....	31-33

ABSTRACT

Gold is a precious metal which serves as both financial and real assets. The value of gold in the society goes more than just economic, as it is also treasured as a storage and display of mammon and culture. In the long-run, its prices keep increasing due to the high demand and inadequate supply worldwide. However, in the short-run its price seems to be volatile due to various potential reasons. Therefore, this study was conducted to determine the factors influencing gold prices in Malaysia. Researchers investigate the relationship of dependent variable, gold price between the independent variables crude oil price, interest rate and stock market price. In order to achieve the objective, the researcher use annual data from year 1987 until 2016. From the analysis, the independent variables have significant relationship with gold price in Malaysia which indicates that crude oil price has positive relationship with gold price while interest rate and stock market price have negative relationship with gold price in Malaysia.