



UNIVERSITI TEKNOLOGI MARA

**THE EFFECT OF COVID-19 TOWARDS
TECHNOLOGY SECTOR IN MALAYSIA STOCK
MARKET**

**NORA SHIKIN BINTI SARIMAN
2019831644**

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ABSTRACT

Since the first case was reported at the tail end of 2019, COVID-19 has spread around the world, resulting in over 2 million confirmed cases. The World Health Organization (WHO) declared the COVID-19 illness a pandemic on March 11, 2020. The COVID-19 outbreak has had an effect on the global financial system. Within this market is Malaysia. This study's objective is to examine how the COVID-19 outbreak has affected Malaysia's stock market, particularly in the areas of technology. Due to the coronavirus's rapid spread, Malaysia, like other nations, had to deal with economic hardship. The epidemic is accelerating Malaysia's economy. Rapid economic contraction that affected the majority of economic sectors and destabilised the economy has plagued the economy for some time. However, because the social isolation policy had no effect on the rising demand for their goods, the positive impact of COVID-19 sparked rapid expansion and enormous profits in the food, technology, and medical supply industries. The coronavirus (COVID-19) outbreak, which is causing widespread anxiety and financial hardship, is leading consumers, businesses, and communities all over the world to be concerned.

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CHAPTER 1

INTRODUCTION

1.1 Background Of Study

The group of equities known as the technology sector is involved in the creation, distribution, or study of products and services with a technological foundation. Businesses in this industry are focused on producing electronics, writing software, building computers, or providing information technology-related goods and services. The technology industry provides a vast array of goods and services to both consumers and other companies. Personal computers, mobile phones, wearable gear, household appliances, televisions, and other items that customers use on a daily basis are always being enhanced and offered to them. (Jake Frankenfield, 2022).

As Malaysia strives to become the digital hub of Southeast Asia, the demand for American innovations in the information and communications technology (ICT) industry continues to grow. Malaysia is concentrating on the creation of satellite broadband, digital building infrastructure, 5G ecosystems, and intelligent automation. Due to this, American businesses will soon have the chance to offer cybersecurity and digital technologies.

With easy access to other developing markets, a strong infrastructure, good connectivity, and stable economic conditions, Malaysia is strategically located in the middle of the region. The Malaysian ICT market is one of the fastest-growing markets in the world, contributing 19.1% of GDP in 2019 and projected to increase to 22.6 percent by 2025.