CHAPTER V

CONCLUSION

This chapter provides the conclusion of the research study, limitations of this research study, and also suggestion for further research. The pupose of this research is to investigate the impact of macroeconomic indicators on stock market performance in Indonesia and Malaysia from period January 2006 to December 2015.

5.1 Conclusions

From the result of this research study on the impact of macroeconomic indicators to stock market performance in Indonesia and Malaysia, it can be concluded as follows :

1. Gross domestic product growth rate have no impact to all proxy of stock market performance which are market liquidity, market capitalization, and market return in Indonesia and Malaysia in time period of 2006 to 2015.

2. Inflation rate have negative impact to several proxies of stock market performance, which are market capitalization and market return in Indonesia and market capitalization in Malaysia. While inflation rate have no impact to market liquidity in Indonesia and Malaysia and

also market return in Malaysia. These all for macroeconomic indicators and stock market performance period of 2006 to 2015.

3.   Interest rate have no impact to all proxy of stock market performance which are market liquidity, market capitalization, and market return in Indonesia and Malaysia in period of 2006 to 2015. From the hypothesis testing result the interest rate seen to have significant positive impact to market capitalization and market return in Indonesia.

5.2   Managerial Implication

The result of this research is expected to become a benefit for :

a.   For the investors

Before make the investment decision, investors has to consider many aspects that influence the stock performance. One of the important aspects is macroeconomic indicators performance of the stock market. The result of this research provides which macroeconomic indicators that have to be considered properly. In Indonesia, investors have to give more attention to inflation rate and interest rate, because those two macroeconomic indicators have significant impact to stock market performance. Based on the result, inflation rate have negative impact to stock market capitalization and stock market return significantly. While the interest rate have significant positive impact to stock market capitalization

and stock market return. In Malaysia, investors have to give more attention to inflation rate, because that macroeconomic indicator give significant negative impact to stock market capitalization in Malaysia.

b. For investment managers

Investment managers have to give attetion to macroeconomic condition of the country because it has impact to the stock market performnace. Like in Indonesia, the inflation rate give negative impact to the market capitalization and market return. While interest rate in Indonesia give positive impact to market capitalization and market return. Whereas in Malaysia, inflation rate give negative impact to market capitalization. So if the investment managers see the movement change in those macroeconomic indicators, they can more prepare with their investment conditions.

5.3   Research Limitation and Suggestion fo Further Research

5.3.1   Research Limitation

1. This research study is only focusing on three macroeconomic indicators which are goss domestic product growth, inflation rate, and interest rate.

2. This research use ten years as the sample data period which from January 2006 – December 2015 providing 120 observations.

5.3.2   Suggestion for Further Research

1.   For further research, the researcher suggests that the researcher can add more macroeconomic indicators for example exchange rate, foreign direct investment, etc; and stock market performance indicators for example number of listed company, the spread of bid and ask, etc.

2.   Take longer time period also can give better observation result. The comparison of stock market performance can be more than two countries or different type of countries.

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Time Series Data of Dependent Variables

MARKET LIQUIDITY
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Month	Year	Volume of Shares Traded					
		JKSE (Indonesia)	% change of ML Indonesia	change of ML Indonesia (decimal)	KLSE (Malaysia)	% change of ML Malaysia	change of ML Malaysia (decimal)
January	2006	120114300			90796000		
February		104703400	-12.83019591	-0.12830	113010600	24.46649632	0.24466
March		102611500	-1.997929389	-0.01998	104733700	-7.324003235	-0.07324
April		123841600	20.68978623	0.20690	131363500	25.42619997	0.25426
May		133310300	7.6458153	0.07646	178504300	35.88576736	0.35886
June		104983100	-21.24907078	-0.21249	96199600	-46.10796491	-0.46108
July		161085300	53.43926784	0.53439	90287700	-6.145451748	-0.06145
August		157122100	-2.4603114	-0.02460	75729200	-16.12456625	-0.16125
September		115136000	-26.721957	-0.26722	104951600	38.58802153	0.38588
October		146408800	27.16161757	0.27162	101696800	-3.101239047	-0.03101
November		171288600	16.99337745	0.16993	200267800	96.92635363	0.96926
December		210707700	23.01326533	0.23013	184572100	-7.837355781	-0.07837
January	2007	230405600	9.348448111	0.09348	256582900	39.01499739	0.39015
February		228070800	-1.013343426	-0.01013	415515600	61.9420468	0.61942
March		215927200	-5.324486958	-0.05324	262864100	-36.73785052	-0.36738
April		262589300	21.61010748	0.21610	257628600	-1.991713589	-0.01992
May		221995400	-15.45908382	-0.15459	230659000	-10.46840296	-0.10468
June		259369300	16.83543893	0.16835	221267600	-4.071551511	-0.04072
July		246756600	-4.862834576	-0.04863	230267300	4.067337468	0.04067
August		266673500	8.071476102	0.08071	233798100	1.533348417	0.01533
September		259716600	-2.60877065	-0.02609	169770600	-27.38580852	-0.27386
October		370644300	42.71105505	0.42711	207009900	21.93507003	0.21935
November		374400000	1.013289561	0.01013	180464200	-12.82339637	-0.12823
December		278330600	-25.65956197	-0.25660	183811800	1.854993954	0.01855
January	2008	843948000	203.217828	2.03218	285510700	55.32773195	0.55328
February		491908500	-41.71341125	-0.41713	212019400	-25.74029625	-0.25740
March		237616500	-51.69497986	-0.51695	275348300	29.86938931	0.29869
April		360816300	51.84816711	0.51848	190928400	-30.65931404	-0.30659

May		435055600	20.57537312	0.20575	223683000	17.15543628	0.17155
June		332752700	-23.51490246	-0.23515	202850300	-9.313492755	-0.09313
July		198489800	-40.34915419	-0.40349	179512200	-11.50508528	-0.11505
August		716255500	260.8525476	2.60853	168679100	-6.034743043	-0.06035
September		310863800	-56.59875561	-0.56599	179777700	6.579712602	0.06580
October		199721600	-35.75269941	-0.35753	383928300	113.5572432	1.13557
November		225935800	13.12537052	0.13125	336771800	-12.28263194	-0.12283
December		172534500	-23.63560799	-0.23636	160606800	-52.30990243	-0.52310
January	2009	156642400	-9.2109694	-0.09211	192211800	19.67849431	0.19678
February		169564500	8.24942672	0.08249	166064900	-13.60317109	-0.13603
March		155267800	-8.431422851	-0.08431	193974800	16.80662199	0.16807
April		2578276900	1560.535475	15.60535	459157200	136.7097169	1.36710
May		2851413400	10.59376128	0.10594	591378700	28.79656466	0.28797
June		5343240100	87.38917689	0.87389	466671000	-21.08762118	-0.21088
July		4630064400	-13.3472516	-0.13347	170378300	-63.4907033	-0.63491
August		4333564700	-6.403792137	-0.06404	126585300	-25.70339063	-0.25703
September		3960611100	-8.606162036	-0.08606	96046100	-24.12539213	-0.24125
October		4195024800	5.918624527	0.05919	93055400	-3.113817219	-0.03114
November		5165790600	23.14088346	0.23141	95670600	2.810368877	0.02810
December		3097530100	-40.03763722	-0.40038	71591400	-25.16886065	-0.25169
January		4242926200	36.97772299	0.36978	112735300	57.47045036	0.57470
February		3202115300	-24.53049737	-0.24530	109467800	-2.898382317	-0.02898
March		3888145400	21.42427851	0.21424	119343400	9.021465673	0.09021
April		5273440300	35.62868045	0.35629	92509400	-22.48469543	-0.22485
May		4925558700	-6.596862394	-0.06597	123610900	33.61982674	0.33620
June	2010	4259397500	-13.52458149	-0.13525	80585300	-34.80728641	-0.34807
July		3884965400	-8.790729205	-0.08791	102332500	26.98655958	0.26987
August		4063138000	4.586208155	0.04586	123714800	20.89492585	0.20895
September		4078938800	0.388881697	0.00389	142163800	14.91252461	0.14913
October		5022649800	23.13618925	0.23136	144034800	1.316087499	0.01316
November		5221298500	3.955057747	0.03955	131769800	-8.515303246	-0.08515
December		3099489000	-40.63758278	-0.40638	141888300	7.678921877	0.07679
January		2846015800	-8.177902874	-0.08178	186448100	31.40484452	0.31405
February		1981020400	-30.39320442	-0.30393	168684600	-9.527316181	-0.09527
March		2452225600	23.78598423	0.23786	138918000	-17.64630559	-0.17646
April		2588791200	5.569047155	0.05569	114240900	-17.76378871	-0.17764
May	2011	4400621700	69.98751	0.69988	144269800	26.28559474	0.26286
June		3233468900	-26.5224525	-0.26522	132209100	-8.359823054	-0.08360
July		3703415800	14.53383083	0.14534	134815000	1.971044353	0.01971
August		3810505300	2.891641279	0.02892	189841600	40.816378	0.40816
September		2610060400	-31.50356201	-0.31504	146882100	-22.62912871	-0.22629

Month	Year						
October		3770432200	44.45766083	0.44458	118905700	-19.04684097	-0.19047
November		2557527800	-32.16884261	-0.32169	106254700	-10.63952359	-0.10640
December		1911550700	-25.25787207	-0.25258	85210300	-19.80561801	-0.19806
January		2954255900	54.54760891	0.54548	125209600	46.94186032	0.46942
February		2791622600	-5.505051204	-0.05505	179211300	43.12904122	0.43129
March		1582071000	-43.32790543	-0.43328	156343100	-12.76046767	-0.12760
April		3673109400	132.1709582	1.32171	124574700	-20.31966873	-0.20320
May		2666426000	-27.406845	-0.27407	144212900	15.7641961	0.15764
June	2012	1583296200	-40.62103355	-0.40621	133526700	-7.410016718	-0.07410
July		1805897500	14.0593592	0.14059	127988400	-4.147709784	-0.04148
August		1457684500	-19.28199136	-0.19282	139593200	9.067071703	0.09067
September		2106506800	44.51047535	0.44510	180778900	29.50408759	0.29504
October		2852821400	35.42901452	0.35429	129535400	-28.34595188	-0.28346
November		1725779900	-39.50620603	-0.39506	169937600	31.19008395	0.31190
December		2074262900	20.19278356	0.20193	131772600	-22.4582435	-0.22458
January		2581742000	24.46551495	0.24466	168445300	27.83029249	0.27830
February		2320354100	-10.12447797	-0.10124	157322400	-6.60327121	-0.06603
March		2587786800	11.52551242	0.11526	177576000	12.87394548	0.12874
April		2756592400	6.523164891	0.06523	165555300	-6.769326936	-0.06769
May		2258713300	-18.06139711	-0.18061	212076600	28.10015747	0.28100
June	2013	2380549400	5.394048904	0.05394	183897800	-13.28708589	-0.13287
July		2176566800	-8.568719473	-0.08569	157022500	-14.61425857	-0.14614
August		3978387800	82.78271083	0.82783	186951000	19.06000732	0.19060
September		4551425800	14.40377431	0.14404	153439800	-17.92512477	-0.17925
October		3657134200	-19.6486033	-0.19649	121572300	-20.76873145	-0.20769
November		3292179500	-9.979253701	-0.09979	130331800	7.205177495	0.07205
December		3063910800	-6.933665069	-0.06934	104112500	-20.11734665	-0.20117
January		2904054300	-5.217400585	-0.05217	132202500	26.98042982	0.26980
February		3676107000	26.58533967	0.26585	138036100	4.412624572	0.04413
March		4558713200	24.00926306	0.24009	131188700	-4.960586397	-0.04961
April		3817112600	-16.2677617	-0.16268	131034200	-0.11776929	-0.00118
May		3692492000	-3.264787106	-0.03265	167252300	27.64018859	0.27640
June	2014	2992343200	-18.96141684	-0.18961	123978900	-25.87312701	-0.25873
July		4490889700	50.0793659	0.50079	113562000	-8.402155528	-0.08402
August		3750031200	-16.49692042	-0.16497	119997700	5.667124566	0.05667
September		3743514000	-0.173790554	-0.00174	124313200	3.596318929	0.03596
October		3444212600	-7.995199163	-0.07995	113343100	-8.824565694	-0.08825
November		4288219800	24.50508427	0.24505	119577800	5.500731849	0.05501
December		4600621800	7.285120973	0.07285	65037000	-45.61114187	-0.45611
January	2015	5350420300	16.29776436	0.16298	65403300	0.563217861	0.00563
February		4379688100	-18.14310177	-0.18143	125479100	91.85438655	0.91854

Month		Indonesia (billion IDR)	% Change of Indonesia Market Cap	Change of Indonesia Market Cap (decimal)	Malaysia (RM billion)	% Change of Malaysia Market Cap	Change of Malaysia Market Cap (decimal)
March		4610533700	5.270822824	0.05271	133221200	6.170031503	0.06170
April		4351595800	-5.616223996	-0.05616	119263900	-10.47678598	-0.10477
May		4247861300	-2.383826641	-0.02384	124870600	4.701087253	0.04701
June		3299502900	-22.32555004	-0.22326	118685700	-4.953047395	-0.04953
July		3409749100	3.34129726	0.03341	91496900	-22.90823579	-0.22908
August		3650082300	7.048413034	0.07048	164032400	79.27645636	0.79276
September		3447175000	-5.558978766	-0.05559	171123800	4.323170301	0.04323
October		4403177500	27.73292624	0.27733	158858800	-7.167325644	-0.07167
November		2967403200	-32.60768615	-0.32608	144524500	-9.02329616	-0.09023
December		2470170800	-16.75648257	-0.16756	123911900	-14.2623569	-0.14262

MARKET CAPITALIZATION

Taken from (idx.co.id) and (bnm.gov.my)
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Month	Year	Market Capitalization					
		Indonesia (billion IDR)	% Change of Indonesia Market Cap	Change of Indonesia Market Cap (decimal)	Malaysia (RM billion)	% Change of Malaysia Market Cap	Change of Malaysia Market Cap (decimal)
January		314947.8			713.17		
February		301445.1	-4.287281892	-0.04287	726.91	1.926609364	0.01927
March		294164	-2.415398359	-0.02415	732.9	0.824035988	0.00824
April		293104.5	-0.360173237	-0.00360	750.96	2.464183381	0.02464
May		298266.5	1.761146622	0.01761	727.33	-3.146638969	-0.03147
June	2006	309650	3.816553317	0.03817	721.79	-0.761690017	-0.00762
July		334011.7	7.86749556	0.07867	727.79	0.831266712	0.00831
August		352771	5.616360145	0.05616	740.44	1.738138749	0.01738
September		372684.3	5.644823412	0.05645	745.45	0.67662471	0.00677
October		393751.7	5.652881004	0.05653	769.08	3.169897377	0.03170
November		415973.3	5.643556587	0.05644	833.15	8.330732824	0.08331
December		439349	5.61951933	0.05620	848.7	1.86641061	0.01866
January		1226787	179.2283759	1.79228	920.77	8.491811005	0.08492
February		1217000	-0.797814673	-0.00798	943.37	2.454467457	0.02454
March	2007	1280129	5.187280513	0.05187	985.05	4.418202826	0.04418
April		1394714	8.951063994	0.08951	1056.1	7.212831836	0.07213
May		1444055	3.537724392	0.03538	1060.92	0.456396175	0.00456

Month	Year						
June		1506000	4.289646869	0.04290	1088.28	2.57889379	0.02579
July		1649843	9.551348109	0.09551	1077.28	-1.010769287	-0.01011
August		1547195	-6.22166453	-0.06222	984.98	-8.567874647	-0.08568
September		1668268	7.82528454	0.07825	1031.28	4.700603058	0.04701
October		1865469	11.82070295	0.11821	1091.42	5.83158793	0.05832
November		1913205	2.558925409	0.02559	1065.32	-2.391380037	-0.02391
December		1988326	3.926463787	0.03926	1106.15	3.832651222	0.03833
January		1649843	-17.02351431	-0.17024	1057.33	-4.413506306	-0.04414
February		1922535	16.5283384	0.16528	1028.34	-2.741811922	-0.02742
March		1802059	-6.266494865	-0.06266	952.32	-7.392496645	-0.07392
April		1742246	-3.319176061	-0.03319	976.67	2.556913642	0.02557
May		1844690	5.880014456	0.05880	971.28	-0.55187525	-0.00552
June	2008	1793566	-2.771403328	-0.02771	901.24	-7.211102875	-0.07211
July		1801626	0.449362239	0.00449	876.13	-2.786161289	-0.02786
August		1719699	-4.547412811	-0.04547	833.46	-4.870281807	-0.04870
September		1464322	-14.85004951	-0.14850	770.54	-7.549252514	-0.07549
October		1007012	-31.23019723	-0.31230	655.34	-14.95055416	-0.14951
November		992869	-1.404402288	-0.01404	656.55	0.184636982	0.00185
December		1076491	8.422192836	0.08422	663.8	1.104257102	0.01104
January		1071525	-0.461289708	-0.00461	667.87	0.613136487	0.00613
February		1034904	-3.417592394	-0.03418	667.42	-0.067378382	-0.00067
March		1150599	11.17923873	0.11179	662.07	-0.801594199	-0.00802
April		1370388	19.10215721	0.19102	754.2	13.91544701	0.13915
May		1517235	10.71573773	0.10716	797.81	5.782285866	0.05782
June	2009	1596674	5.235740424	0.05236	817.94	2.523157143	0.02523
July		1823714	14.2195534	0.14220	885.83	8.300119813	0.08300
August		1847633	1.311595192	0.01312	893.86	0.906494474	0.00906
September		1937491	4.863390011	0.04863	910.52	1.86382655	0.01864
October		1873512	-3.302133655	-0.03302	936.49	2.852216316	0.02852
November		1912564	2.084379868	0.02084	986.28	5.31666115	0.05317
December		2019375	5.584731084	0.05585	999.45	1.335320599	0.01335
January		2102712	4.126866474	0.04127	1001.73	0.228125469	0.00228
February		2071231	-1.497180544	-0.01497	1015.71	1.395585637	0.01396
March		2263074	9.262298608	0.09262	1061.06	4.464857095	0.04465
April		2422571	7.047778653	0.07048	1079.66	1.752964017	0.01753
May	2010	2287729	-5.566055369	-0.05566	1027.92	-4.792249412	-0.04792
June		2400976	4.95019946	0.04950	1044.35	1.598373414	0.01598
July		2539854	5.784227456	0.05784	1092.29	4.590415091	0.04590
August		2571471	1.244816006	0.01245	1122.11	2.730044219	0.02730
September		2919402	13.53045412	0.13530	1150.12	2.496190213	0.02496
October		3083396	5.617362377	0.05617	1204.34	4.714290683	0.04714

Month	Year					
November		3064007	-0.628799421	-0.00629	1237.37	2.742580999	0.02743
December		3247097	5.975490033	0.05975	1275.28	3.063756193	0.03064
January		3013745	-7.186475985	-0.07186	1283.98	0.682203124	0.00682
February		3077729	2.12305839	0.02123	1256.71	-2.123864858	-0.02124
March		3279801	6.565634253	0.06566	1310.99	4.319214457	0.04319
April		3405485	3.832074467	0.03832	1310.79	-0.015255646	-0.00015
May		3425812	0.596892245	0.00597	1320.03	0.704918408	0.00705
June	2011	3498068	2.109166685	0.02109	1342.22	1.681022401	0.01681
July		3722442	6.414211932	0.06414	1339.33	-0.215314926	-0.00215
August		3468309	-6.827053368	-0.06827	1241.89	-7.275279431	-0.07275
September		3210811	-7.424311946	-0.07424	1172.29	-5.604361095	-0.05604
October		3434445	6.96503669	0.06965	1268.48	8.20530756	0.08205
November		3424334	-0.294412718	-0.00294	1255.93	-0.989373108	-0.00989
December		3537294	3.298763215	0.03299	1284.54	2.2779932	0.02278
January		3665330	3.619595899	0.03620	1311.42	2.092577888	0.02093
February		3754465	2.431853865	0.02432	1345.3	2.583459151	0.02583
March		3877542	3.278145882	0.03278	1355.44	0.753735226	0.00754
April		3936526	1.521165901	0.01521	1332.75	-1.67399516	-0.01674
May		3620028	-8.040029697	-0.08040	1320.23	-0.939410992	-0.00939
June	2012	3729901	3.035129336	0.03035	1367.88	3.609219606	0.03609
July		3916810	5.011109654	0.05011	1423.83	4.090271076	0.04090
August		3844093	-1.856537567	-0.01857	1431.58	0.544306553	0.00544
September		4027750	4.777640123	0.04778	1417.29	-0.998197795	-0.00998
October		4116444	2.202080608	0.02202	1463.04	3.227991448	0.03228
November		4072364	-1.070832861	-0.01071	1415.21	-3.269220254	-0.03269
December		4126995	1.341499665	0.01341	1465.68	3.566255185	0.03566
January		4272792	3.532756147	0.03533	1422.47	-2.948119644	-0.02948
February		4638861	8.567446592	0.08567	1432.15	0.680506443	0.00681
March		4812790	3.749387541	0.03749	1472.48	2.816045805	0.02816
April		4896823	1.746051718	0.01746	1499.22	1.815983918	0.01816
May		4950473	1.095599901	0.01096	1611.75	7.50590307	0.07506
June	2013	4739605	-4.259553649	-0.04260	1598.81	-0.802854041	-0.00803
July		4582269	-3.319589847	-0.03320	1611.09	0.768071253	0.00768
August		4130122	-9.867318394	-0.09867	1563.85	-2.932176353	-0.02932
September		4251368	2.935644127	0.02936	1611.2	3.027783995	0.03028
October		4435075	4.321133232	0.04321	1661.14	3.099553128	0.03100
November		4199723	-5.306622625	-0.05307	1671.35	0.61463814	0.00615
December		4219020	0.459497102	0.00459	1702.15	1.842821671	0.01843
January		4382396	3.872371273	0.03872	1668.56	-1.973386599	-0.01973
February	2014	4576076	4.419480196	0.04419	1698.52	1.795560244	0.01796
March		4717502	3.09056163	0.03091	1719.11	1.212231825	0.01212

Month	Year	Adj. Closing Price	Market Return (%)	Market Return (decimal)	Adj. Closing Price	Market Return (%)	Market Return (decimal)
April		4798564	1.718319144	0.01718	1738.55	1.130817691	0.01131
May		4855601	1.188635371	0.01189	1736.82	-0.099508211	-0.00100
June		4840506	-0.3108859	-0.00311	1770.42	1.934570076	0.01935
July		5052862	4.387066925	0.04387	1783.69	0.749539657	0.00750
August		5108513	1.101384636	0.01101	1776.28	-0.415430933	-0.00415
September		5116203	0.150519892	0.00151	1774.09	-0.123291373	-0.00123
October		5071323	-0.877213505	-0.00877	1775.53	0.081168374	0.00081
November		5139705	1.348419539	0.01348	1731.43	-2.483765411	-0.02484
December		5228043	1.718738004	0.01719	1651.17	-4.635474723	-0.04635
January		5287336	1.134124418	0.01134	1687.84	2.220849458	0.02221
February		5427597	2.652772587	0.02653	1733.14	2.683903688	0.02684
March		5555200	2.351003584	0.02351	1737.52	0.252720496	0.00253
April		5146751	-7.352550604	-0.07353	1738.53	0.058128827	0.00058
May		5280033	2.589637783	0.02590	1694.81	-2.514768224	-0.02515
June	2015	5000315	-5.297654149	-0.05298	1659.02	-2.111741139	-0.02112
July		4961663	-0.773004084	-0.00773	1680.9	1.318850888	0.01319
August		4646247	-6.357056382	-0.06357	1555.89	-7.437087275	-0.07437
September		4374682	-5.844819316	-0.05845	1597.35	2.664712801	0.02665
October		4701660	7.474319299	0.07474	1653.75	3.530847967	0.03531
November		4717692	0.340984496	0.00341	1668.89	0.915495087	0.00915
December		4872702	3.285709885	0.03286	1695.17	1.574699351	0.01575

MARKET RETURN

Taken from Yahoo!Finance
Downloaded on Tuesday, 12th April 2016 at 11.00 am

Month	Year	JKSE			KLSE		
		Adj. Closing Price	Market Return (%)	Market Return (decimal)	Adj. Closing Price	Market Return (%)	Market Return (decimal)
January		1,232,321,045			914,010,010		
February		1,230,663,940	-0.001344702	-0.00001	928,940,002	0.016334604	0.00016
March	2006	1,322,973,999	0.07500834	0.00075	926,630,005	-0.002486702	-0.00002
April		1,464,406,006	0.106904601	0.00107	949,229,980	0.024389427	0.00024
May		1,329,995,972	-0.091784678	-0.00092	927,780,029	-0.022597212	-0.00023
June		1,310,262,939	-0.014836912	-0.00015	914,690,002	-0.014108977	-0.00014

July		1,351,649,048	0.03158611	0.00032	935,849,976	0.023133492	0.00023
August		1,431,261,963	0.058900582	0.00059	958,119,995	0.02379657	0.00024
September		1,534,614,990	0.072211118	0.00072	967,549,988	0.009842184	0.00010
October		1,582,625,977	0.031285363	0.00031	988,299,988	0.02144592	0.00021
November		1,718,961,060	0.086144854	0.00086	1,080,660,034	0.093453453	0.00093
December		1,805,522,949	0.050357097	0.00050	1,096,239,990	0.014417074	0.00014
January	2007	1,757,258,057	-0.026731808	-0.00027	1,189,349,976	0.084935768	0.00085
February		1,740,970,947	-0.009268479	-0.00009	1,196,449,951	0.005969626	0.00006
March		1,830,923,950	0.051668296	0.00052	1,246,869,995	0.042141373	0.00042
April		1,999,166,992	0.091889694	0.00092	1,322,250,000	0.060455385	0.00060
May		2,084,323,975	0.042596233	0.00043	1,346,890,015	0.018634914	0.00019
June		2,139,278,076	0.026365432	0.00026	1,354,380,005	0.005560951	0.00006
July		2,348,673,096	0.09788116	0.00098	1,373,709,961	0.014272181	0.00014
August		2,194,339,111	-0.065711139	-0.00066	1,273,930,054	-0.072635352	-0.00073
September		2,359,206,055	0.075132847	0.00075	1,336,300,049	0.048958728	0.00049
October		2,643,487,061	0.120498591	0.00120	1,413,650,024	0.057883688	0.00058
November		2,688,332,031	0.016964324	0.00017	1,396,979,980	-0.0117922	-0.00012
December		2,745,825,928	0.021386457	0.00021	1,445,030,029	0.03439566	0.00034
January	2008	2,627,250,977	-0.04318371	-0.00043	1,393,250,000	-0.035833185	-0.00036
February		2,721,944,092	0.03604266	0.00036	1,357,400,024	-0.025731187	-0.00026
March		2,447,299,072	-0.100900316	-0.00101	1,247,520,020	-0.080948874	-0.00081
April		2,304,516,113	-0.058343077	-0.00058	1,279,859,985	0.025923404	0.00026
May		2,444,349,121	0.060677817	0.00061	1,276,099,976	-0.002937828	-0.00003
June		2,349,104,980	-0.038965032	-0.00039	1,186,569,946	-0.070159103	-0.00070
July		2,304,508,057	-0.018984645	-0.00019	1,163,089,966	-0.019788113	-0.00020
August		2,165,943,115	-0.060127775	-0.00060	1,100,500,000	-0.053813521	-0.00054
September		1,832,506,958	-0.15394502	-0.00154	1,018,679,993	-0.07434803	-0.00074
October		1,256,703,979	-0.314215985	-0.00314	863,609,985	-0.15222642	-0.00152
November		1,241,541,016	-0.01206566	-0.00012	866,140,015	0.002929598	0.00003
December		1,355,407,959	0.091714202	0.00092	876,750,000	0.012249734	0.00012
January	2009	1,332,666,992	-0.01677795	-0.00017	884,450,012	0.008782449	0.00009
February		1,285,475,952	-0.035410977	-0.00035	890,669,983	0.007032586	0.00007
March		1,434,073,975	0.115597669	0.00116	872,549,988	-0.02034423	-0.00020
April		1,722,765,991	0.201309013	0.00201	990,739,990	0.13545356	0.00135
May		1,916,831,055	0.112647373	0.00113	1,044,109,985	0.053868821	0.00054
June		2,026,780,029	0.057359762	0.00057	1,075,239,990	0.029814871	0.00030
July		2,323,236,084	0.146269477	0.00146	1,174,900,024	0.092686316	0.00093
August		2,341,537,109	0.007877385	0.00008	1,174,270,020	-0.000536219	-0.00001
September		2,467,591,064	0.053833849	0.00054	1,202,079,956	0.023682744	0.00024
October		2,367,700,928	-0.040480831	-0.00040	1,243,229,980	0.034232352	0.00034
November		2,415,836,914	0.020330264	0.00020	1,259,109,985	0.012773184	0.00013

Month	Year					
December		2,534,355,957	0.049059207	0.00049	1,272,780,029	0.01085691	0.00011
January		2,610,795,898	0.030161486	0.00030	1,259,160,034	-0.010700981	-0.00011
February		2,549,032,959	-0.023656747	-0.00024	1,270,780,029	0.00922837	0.00009
March		2,777,301,025	0.089550849	0.00090	1,320,569,946	0.039180594	0.00039
April		2,971,251,953	0.06983432	0.00070	1,346,380,005	0.019544636	0.00020
May		2,796,957,031	-0.058660432	-0.00059	1,285,010,010	-0.045581481	-0.00046
June		2,913,684,082	0.041733588	0.00042	1,314,020,020	0.022575707	0.00023
July	2010	3,069,280,029	0.053401791	0.00053	1,360,920,044	0.035692016	0.00036
August		3,081,884,033	0.004106502	0.00004	1,422,489,990	0.045241413	0.00045
September		3,501,295,898	0.136089438	0.00136	1,463,500,000	-0.99998971	-0.01000
October		3,635,323,975	0.038279563	0.00038	1,505,660,034	0.02880768	0.00029
November		3,531,210,938	-0.028639273	-0.00029	1,485,229,980	-0.013568836	-0.00014
December		3,703,511,963	0.04879375	0.00049	1,518,910,034	0.022676659	0.00023
January		3,409,166,992	-0.079477257	-0.00079	1,519,939,941	0.000678057	0.00001
February		3,470,347,900	0.017945999	0.00018	1,491,250,000	-0.018875707	-0.00019
March		3,678,674,072	0.060030342	0.00060	1,545,130,005	0.036130766	0.00036
April		3,819,617,920	0.038313763	0.00038	1,534,949,951	-0.006588477	-0.00007
May		3,836,967,041	0.004542109	0.00005	1,558,290,039	0.015205765	0.00015
June	2011	3,888,569,092	0.013448656	0.00013	1,579,069,946	0.01333507	0.00013
July		4,130,799,805	0.06229302	0.00062	1,548,810,059	-0.019163107	-0.00019
August		3,841,730,957	-0.069978905	-0.00070	1,447,270,020	-0.065560033	-0.00066
September		3,549,031,982	-0.076189348	-0.00076	1,387,130,005	-0.041554108	-0.00042
October		3,790,846,924	0.068135464	0.00068	1,491,890,015	0.075522849	0.00076
November		3,715,080,078	-0.019986786	-0.00020	1,472,099,976	-0.013265079	-0.00013
December		3,821,991,943	0.028777809	0.00029	1,530,729,980	0.039827461	0.00040
January		3,941,693,115	0.031319054	0.00031	1,521,290,039	-0.006166954	-0.00006
February		3,985,209,961	0.011040141	0.00011	1,569,650,024	0.0317888	0.00032
March		4,121,550,781	0.034211703	0.00034	1,596,329,956	0.016997376	0.00017
April		4,180,731,934	0.014358953	0.00014	1,570,609,985	-0.016111939	-0.00016
May		3,832,823,975	-0.083216998	-0.00083	1,580,670,044	0.006405192	0.00006
June	2012	3,955,576,904	0.032026759	0.00032	1,599,150,024	0.011691232	0.00012
July		4,142,336,914	0.047214354	0.00047	1,631,599,976	0.020292	0.00020
August		4,060,331,055	-0.019797004	-0.00020	1,646,109,985	0.008893117	0.00009
September		4,262,561,035	0.049806279	0.00050	1,636,660,034	-0.005740777	-0.00006
October		4,350,291,016	0.020581519	0.00021	1,673,069,946	0.022246472	0.00022
November		4,276,141,113	-0.017044814	-0.00017	1,610,829,956	-0.037201069	-0.00037
December		4,316,687,012	0.00948189	0.00009	1,688,949,951	0.048496736	0.00048
January		4,453,703,125	0.031741035	0.00032	1,627,550,049	-0.036353891	-0.00036
February	2013	4,795,789,062	0.076809326	0.00077	1,637,630,005	0.006193331	0.00006
March		4,940,985,840	0.030275889	0.00030	1,671,630,005	0.02076171	0.00021

Month	Year					
April		5,034,070,801	0.01883935	0.00019	1,717,650,024	0.027530027	0.00028
May		5,068,627,930	0.006864649	0.00007	1,769,219,971	0.030023547	0.00030
June		4,818,895,020	-0.049270318	-0.00049	1,773,540,039	0.002441792	0.00002
July		4,610,376,953	-0.04327093	-0.00043	1,772,619,995	-0.000518761	-0.00001
August		4,195,088,867	-0.090076818	-0.00090	1,727,579,956	-0.025408739	-0.00025
September		4,316,175,781	0.028863969	0.00029	1,768,619,995	0.023755797	0.00024
October		4,510,630,859	0.045052632	0.00045	1,806,849,976	0.021615712	0.00022
November		4,256,436,035	-0.056354606	-0.00056	1,812,719,971	0.003248745	0.00003
December		4,274,176,758	0.004167976	0.00004	1,866,959,961	0.02992188	0.00030
January	2014	4,418,756,836	0.033826415	0.00034	1,804,030,029	-0.033707167	-0.00034
February		4,620,215,820	0.045591779	0.00046	1,835,660,034	0.01753297	0.00018
March		4,768,276,855	0.032046346	0.00032	1,849,209,961	0.007381501	0.00007
April		4,840,145,996	0.015072351	0.00015	1,871,520,020	0.012064644	0.00012
May		4,893,908,203	0.011107559	0.00011	1,873,380,005	0.000993837	0.00001
June		4,878,582,031	-0.003131684	-0.00003	1,882,709,961	0.004980279	0.00005
July		5,088,801,758	0.043090334	0.00043	1,871,359,985	-0.006028531	-0.00006
August		5,136,862,793	0.00944447	0.00009	1,866,109,985	-0.002805446	-0.00003
September		5,137,579,102	0.000139445	0.00000	1,846,310,059	-0.010610267	-0.00011
October		5,089,546,875	-0.009349195	-0.00009	1,855,150,024	0.004787909	0.00005
November		5,149,888,184	0.01185593	0.00012	1,820,890,015	-0.018467514	-0.00018
December		5,226,946,777	0.014963158	0.00015	1,761,250,000	-0.032753222	-0.00033
January	2015	5,289,403,809	0.011949047	0.00012	1,781,260,010	0.011361255	0.00011
February		5,450,293,945	0.030417442	0.00030	1,821,209,961	0.022427917	0.00022
March		5,518,674,805	0.01254627	0.00013	1,830,780,029	0.005254786	0.00005
April		5,086,424,805	-0.078324963	-0.00078	1,818,270,020	-0.006833158	-0.00007
May		5,216,378,906	0.025549203	0.00026	1,747,520,020	-0.038910612	-0.00039
June		4,910,658,203	-0.058607841	-0.00059	1,706,640,015	-0.023393154	-0.00023
July		4,802,528,809	-0.022019328	-0.00022	1,723,140,015	0.00966812	0.00010
August		4,509,606,934	-0.060993257	-0.00061	1,612,739,990	-0.064069097	-0.00064
September		4,223,908,203	-0.063353355	-0.00063	1,621,040,039	0.005146551	0.00005
October		4,455,180,176	0.054753077	0.00055	1,665,709,961	0.027556335	0.00028
November		4,446,458,008	-0.001957759	-0.00002	1,672,160,034	0.003872267	0.00004
December		4,593,007,812	0.032958774	0.00033	1,692,510,010	0.012169873	0.00012

APPENDIX 2

Time Series Data of Independent Variables

GDP GROWTH RATE

Taken from : Asia Regional Integration Center website (aric.adb.org)
downloaded on Monday, 18th April 2016 at 10.15am

Month	Year	Indonesia GDP Growth Rate (%)	Indonesia GDP Growth Rate (Decimal)	Malaysia GDP Growth Rate (%)	Malaysia GDP Growth Rate (Decimal)
January	2006	1.800008	0.01800	1.88014	0.01880
February		1.695181	0.01695	1.87615	0.01876
March		1.632001	0.01632	1.87462	0.01875
April		1.610467	0.01610	1.87556	0.01876
May		1.630578	0.01631	1.87897	0.01879
June		1.692335	0.01692	1.88485	0.01885
July		1.887722	0.01888	1.91768	0.01918
August		1.963784	0.01964	1.91014	0.01910
September		2.012504	0.02013	1.88670	0.01887
October		2.006993	0.02007	1.81858	0.01819
November		2.021198	0.02021	1.78494	0.01785
December		2.028229	0.02028	1.75701	0.01757
January	2007	1.985291	0.01985	1.69409	0.01694
February		2.010072	0.02010	1.70807	0.01708
March		2.059777	0.02060	1.75828	0.01758
April		2.199936	0.02200	1.90671	0.01907
May		2.250341	0.02250	1.98284	0.01983
June		2.276523	0.02277	2.04869	0.02049
July		2.291612	0.02292	2.05954	0.02060
August		2.2595	0.02260	2.13834	0.02138
September		2.193318	0.02193	2.24037	0.02240
October		1.984505	0.01985	2.45035	0.02450
November		1.931603	0.01932	2.53533	0.02535
December		1.926052	0.01926	2.58001	0.02580
January	2008	2.045402	0.02045	2.58111	0.02581
February		2.07639	0.02076	2.54766	0.02548

Month	Year				
March		2.096568	0.02097	2.47638	0.02476
April		2.09804	0.02098	2.34184	0.02342
May		2.102514	0.02103	2.21397	0.02214
June		2.102096	0.02102	2.06733	0.02067
July		2.135924	0.02136	2.04079	0.02041
August		2.096371	0.02096	1.75248	0.01752
September		2.022575	0.02023	1.34126	0.01341
October		1.858496	0.01858	0.70628	0.00706
November		1.758241	0.01758	0.12486	0.00125
December		1.665773	0.01666	-0.50383	-0.00504
January		1.572825	0.01573	-1.64268	-0.01643
February		1.502125	0.01502	-2.01878	-0.02019
March		1.44541	0.01445	-2.09500	-0.02095
April		1.395741	0.01396	-1.50136	-0.01501
May		1.372198	0.01372	-1.25533	-0.01255
June	2009	1.367841	0.01368	-0.98691	-0.00987
July		1.349118	0.01349	-0.81285	-0.00813
August		1.408302	0.01408	-0.41212	-0.00412
September		1.51184	0.01512	0.09855	0.00099
October		1.765387	0.01765	0.85381	0.00854
November		1.87839	0.01878	1.48335	0.01483
December		1.956503	0.01957	2.12183	0.02122
January		1.88676	0.01887	3.12832	0.03128
February		1.979821	0.01980	3.51539	0.03515
March		2.12272	0.02123	3.64211	0.03642
April		2.468392	0.02468	3.26537	0.03265
May		2.596262	0.02596	3.05369	0.03054
June	2010	2.659266	0.02659	2.76398	0.02764
July		2.557782	0.02558	2.14838	0.02148
August		2.565773	0.02566	1.88848	0.01888
September		2.583615	0.02584	1.73644	0.01736
October		2.709813	0.02710	1.83472	0.01835
November		2.673482	0.02673	1.79153	0.01792
December		2.573125	0.02573	1.74934	0.01749
January		2.260611	0.02261	1.70962	0.01710
February		2.143299	0.02143	1.66834	0.01668
March	2011	2.07306	0.02073	1.62697	0.01627
April		2.114966	0.02115	1.49927	0.01499
May		2.090065	0.02090	1.52238	0.01522

Month	Year				
June		2.063429	0.02063	1.61006	0.01610
July		2.023634	0.02024	1.94098	0.01941
August		2.002101	0.02002	2.02381	0.02024
September		1.987405	0.01987	2.03720	0.02037
October		1.976886	0.01977	1.88428	0.01884
November		1.977856	0.01978	1.83147	0.01831
December		1.987658	0.01988	1.78188	0.01782
January		2.02152	0.02022	1.71095	0.01711
February		2.03756	0.02038	1.68624	0.01686
March		2.05101	0.02051	1.68320	0.01683
April		2.076461	0.02076	1.75077	0.01751
May		2.073782	0.02074	1.75433	0.01754
June	2012	2.057567	0.02058	1.74283	0.01743
July		1.99997	0.02000	1.61056	0.01611
August		1.977564	0.01978	1.64822	0.01648
September		1.962506	0.01963	1.75011	0.01750
October		1.974007	0.01974	2.18244	0.02182
November		1.959234	0.01959	2.21309	0.02213
December		1.937399	0.01937	2.10830	0.02108
January		1.887081	0.01887	1.56896	0.01569
February		1.867186	0.01867	1.41758	0.01418
March		1.856293	0.01856	1.35508	0.01355
April		1.870051	0.01870	1.49404	0.01494
May		1.865425	0.01865	1.52482	0.01525
June	2013	1.858064	0.01858	1.56001	0.01560
July		1.834361	0.01834	1.62186	0.01622
August		1.831734	0.01832	1.64922	0.01649
September		1.836575	0.01837	1.66432	0.01664
October		1.887535	0.01888	1.58802	0.01588
November		1.878329	0.01878	1.63795	0.01638
December		1.847606	0.01848	1.73498	0.01735
January		1.749236	0.01749	1.99439	0.01994
February		1.710077	0.01710	2.09913	0.02099
March		1.683997	0.01684	2.16449	0.02164
April	2014	1.687783	0.01688	2.19389	0.02194
May		1.675276	0.01675	2.17792	0.02178
June		1.663261	0.01663	2.12000	0.02120
July		1.642745	0.01643	1.91566	0.01916
August		1.638461	0.01638	1.85218	0.01852

Month	Year				
September		1.641415	0.01641	1.82511	0.01825
October		1.680513	0.01681	1.88855	0.01889
November		1.676264	0.01676	1.89368	0.01894
December		1.657574	0.01658	1.89463	0.01895
January		1.592498	0.01592	1.91887	0.01919
February		1.568884	0.01569	1.89084	0.01891
March		1.554787	0.01555	1.83802	0.01838
April		1.558253	0.01558	1.70296	0.01703
May		1.557156	0.01557	1.64364	0.01644
June	2015	1.559542	0.01560	1.60261	0.01603
July		1.56959	0.01570	1.60624	0.01606
August		1.575807	0.01576	1.58202	0.01582
September		1.582373	0.01582	1.55633	0.01556
October		1.589288	0.01589	1.52915	0.01529
November		1.59655	0.01597	1.50049	0.01500
December		1.604162	0.01604	1.47036	0.01470

INFLATION RATE

Taken from : Asia Regional Integration Center website (aric.adb.org)
downloaded on Monday, 18th April 2016 at 10.15am

Month	Year	Inflation Rate of Indonesia (%)	Indonesia Inflation Rate (Decimal)	Inflation Rate of Malaysia (%)	Malaysia Inflation Rate (Decimal)
January		17.03130	0.17031	3.23699	0.03237
February		17.91976	0.17920	3.23326	0.03233
March		15.74855	0.15749	4.73441	0.04734
April		15.39730	0.15397	4.49309	0.04493
May		15.59724	0.15597	3.88571	0.03886
June	2006	15.53446	0.15534	3.99543	0.03995
July		15.17219	0.15172	4.10959	0.04110
August		14.89499	0.14895	3.28798	0.03288
September		14.55392	0.14554	3.28054	0.03281
October		6.28782	0.06288	3.04740	0.03047
November		5.27389	0.05274	3.03712	0.03037

December		6.60254	0.06603	3.14607	0.03146
January		6.25539	0.06255	3.24748	0.03247
February		6.29021	0.06290	3.13199	0.03132
March		6.51708	0.06517	1.54355	0.01544
April		6.30000	0.06300	1.54355	0.01544
May		6.00626	0.06006	1.43014	0.01430
June	2007	6.00737	0.06007	1.42700	0.01427
July		6.14951	0.06150	1.64474	0.01645
August		6.41170	0.06412	1.97585	0.01976
September		6.75165	0.06752	1.86199	0.01862
October		6.66574	0.06666	1.97152	0.01972
November		6.71187	0.06712	2.29258	0.02293
December		5.78343	0.05783	2.28758	0.02288
January		6.45554	0.06456	2.27766	0.02278
February		6.57700	0.06577	2.60304	0.02603
March		7.21857	0.07219	2.71444	0.02714
April		7.67370	0.07674	3.04017	0.03040
May		8.91515	0.08915	3.79610	0.03796
June	2008	11.03983	0.11040	7.68398	0.07684
July		11.90539	0.11905	8.52211	0.08522
August		11.85254	0.11853	8.50377	0.08504
September		12.15064	0.12151	8.17204	0.08172
October		11.76930	0.11769	7.62621	0.07626
November		11.47711	0.11477	5.65635	0.05656
December		11.06372	0.11064	4.47284	0.04473
January		9.16603	0.09166	3.92365	0.03924
February		8.59414	0.08594	3.80550	0.03805
March		7.92141	0.07921	3.59408	0.03594
April		7.30155	0.07302	3.05585	0.03056
May		6.01578	0.06016	2.40334	0.02403
June		3.63505	0.03635	-1.40704	-0.01407
July	2009	2.69532	0.02695	-2.38569	-0.02386
August		2.74070	0.02741	-2.48016	-0.02480
September		2.81970	0.02820	-1.98807	-0.01988
October		2.56261	0.02563	-1.49701	-0.01497
November		2.39646	0.02396	-0.10101	-0.00101
December		2.76970	0.02770	1.01937	0.01019
January	2010	3.71492	0.03715	1.42857	0.01429
February		3.80012	0.03800	1.22200	0.01222

March		3.43228	0.03432	1.42857	0.01429
April		3.90834	0.03908	1.63599	0.01636
May		4.17442	0.04174	1.63265	0.01633
June		5.06388	0.05064	1.63099	0.01631
July		6.23193	0.06232	1.83299	0.01833
August		6.45050	0.06451	2.03459	0.02035
September		5.81475	0.05815	1.82556	0.01826
October		5.66723	0.05667	1.92503	0.01925
November		6.33947	0.06339	1.92113	0.01921
December		6.96410	0.06964	2.11907	0.02119
January		7.00651	0.07007	2.41449	0.02414
February		6.82938	0.06829	2.91751	0.02918
March		6.63677	0.06637	3.01811	0.03018
April		6.14575	0.06146	3.21932	0.03219
May		5.97165	0.05972	3.31325	0.03313
June	2011	5.52730	0.05527	3.51053	0.03511
July		4.59295	0.04593	3.40000	0.03400
August		4.76345	0.04763	3.29013	0.03290
September		4.59189	0.04592	3.38645	0.03386
October		4.40671	0.04407	3.37972	0.03380
November		4.13462	0.04135	3.27381	0.03274
December		3.77938	0.03779	2.96443	0.02964
January		3.64113	0.03641	2.65226	0.02652
February		3.47935	0.03479	2.15054	0.02151
March		3.87931	0.03879	2.05078	0.02051
April		4.41890	0.04419	1.85185	0.01852
May		4.35012	0.04350	1.74927	0.01749
June	2012	4.32642	0.04326	1.55039	0.01550
July		4.22477	0.04225	1.35397	0.01354
August		4.09321	0.04093	1.35135	0.01351
September		3.81452	0.03815	1.34875	0.01349
October		4.10747	0.04107	1.34615	0.01346
November		3.79604	0.03796	1.34486	0.01345
December		3.65194	0.03652	1.24760	0.01248
January		3.83720	0.03837	1.33971	0.01340
February		4.59793	0.04598	1.53110	0.01531
March	2013	5.01973	0.05020	1.62679	0.01627
April		4.85810	0.04858	1.72249	0.01722
May		4.89553	0.04896	1.81471	0.01815

June		5.41219	0.05412	1.81298	0.01813
July		7.97724	0.07977	2.00382	0.02004
August		8.18146	0.08181	1.90476	0.01905
September		7.90334	0.07903	2.56654	0.02567
October		7.93039	0.07930	2.75142	0.02751
November		8.06563	0.08066	2.93839	0.02938
December		8.07991	0.08080	3.22275	0.03223
January	2014	8.21958	0.08220	3.39943	0.03399
February		7.74593	0.07746	3.48728	0.03487
March		7.32389	0.07324	3.48399	0.03484
April		7.25294	0.07253	3.38664	0.03387
May		7.32294	0.07323	3.18949	0.03189
June		6.69651	0.06697	3.28022	0.03280
July		4.53074	0.04531	3.18054	0.03181
August		3.99194	0.03992	3.27103	0.03271
September		4.53419	0.04534	2.59500	0.02595
October		4.82822	0.04828	2.77008	0.02770
November		6.22885	0.06229	3.03867	0.03039
December		8.35913	0.08359	2.66299	0.02663
January	2015	6.95558	0.06956	1.00457	0.01005
February		6.29044	0.06290	0.09107	0.00091
March		6.38412	0.06384	0.90992	0.00910
April		6.78940	0.06789	1.81984	0.01820
May		7.14606	0.07146	2.09091	0.02091
June		7.25828	0.07258	2.54083	0.02541
July		7.26227	0.07262	3.26383	0.03264
August		7.17556	0.07176	3.07692	0.03077
September		6.83115	0.06831	2.61969	0.02620
October		6.24891	0.06249	2.51572	0.02516
November		4.89065	0.04891	2.6	0.02600
December		3.35	0.03350	2.7	0.02700

INTEREST RATE

Taken from : Central Bank of Indonesia and Malaysia website
downloaded on Monday, 18th April 2016 at 07.00 pm (bi.go.id)
downloaded on Monday, 18th April 2016 at 10.30 am (bnm.gov.my)

Month	Year	Interest Rate of Indonesia (%)	Indonesia Interest Rate (Decimal)	Interest Rate of Malaysia (%)	Malaysia Interest Rate (Decimal)
January	2006	12.75	0.1275	3.14	0.0314
February		12.75	0.1275	3.15	0.0315
March		12.75	0.1275	3.37	0.0337
April		12.75	0.1275	3.38	0.0338
May		12.50	0.1250	3.75	0.0375
June		12.50	0.1250	3.79	0.0379
July		12.25	0.1225	3.77	0.0377
August		11.75	0.1175	3.69	0.0369
September		11.25	0.1125	3.68	0.0368
October		10.75	0.1075	3.62	0.0362
November		10.25	0.1025	3.59	0.0359
December		9.75	0.0975	3.57	0.0357
January	2007	9.50	0.0950	3.56	0.0356
February		9.25	0.0925	3.54	0.0354
March		9.00	0.0900	3.55	0.0355
April		9.00	0.0900	3.54	0.0354
May		8.75	0.0875	3.54	0.0354
June		8.50	0.0850	3.54	0.0354
July		8.25	0.0825	3.55	0.0355
August		8.25	0.0825	3.54	0.0354
September		8.25	0.0825	3.54	0.0354
October		8.25	0.0825	3.54	0.0354
November		8.25	0.0825	3.53	0.0353
December		8.00	0.0800	3.56	0.0356
January	2008	8.00	0.0800	3.55	0.0355
February		8.00	0.0800	3.55	0.0355
March		8.00	0.0800	3.55	0.0355
April		8.00	0.0800	3.55	0.0355
May		8.25	0.0825	3.56	0.0356
June		8.50	0.0850	3.56	0.0356
July		8.75	0.0875	3.56	0.0356
August		9.00	0.0900	3.56	0.0356

September		9.25	0.0925	3.56	0.0356
October		9.50	0.0950	3.57	0.0357
November		9.50	0.0950	3.55	0.0355
December		9.25	0.0925	3.3	0.033
January	2009	8.75	0.0875	3.3	0.033
February		8.25	0.0825	2.56	0.0256
March		7.75	0.0775	2.06	0.0206
April		7.50	0.0750	2.02	0.0202
May		7.25	0.0725	2.02	0.0202
June		7.00	0.0700	2.03	0.0203
July		6.75	0.0675	2.03	0.0203
August		6.50	0.0650	2.11	0.0211
September		6.50	0.0650	2.06	0.0206
October		6.50	0.0650	2.07	0.0207
November		6.50	0.0650	2.07	0.0207
December		6.50	0.0650	2.06	0.0206
January	2010	6.50	0.0650	2.07	0.0207
February		6.50	0.0650	2.08	0.0208
March		6.50	0.0650	2.27	0.0227
April		6.50	0.0650	2.33	0.0233
May		6.50	0.0650	2.56	0.0256
June		6.50	0.0650	2.56	0.0256
July		6.50	0.0650	2.6	0.026
August		6.50	0.0650	2.81	0.0281
September		6.50	0.0650	2.82	0.0282
October		6.50	0.0650	2.81	0.0281
November		6.50	0.0650	2.79	0.0279
December		6.50	0.0650	2.79	0.0279
January	2011	6.50	0.0650	2.83	0.0283
February		6.75	0.0675	2.80	0.028
March		6.75	0.0675	2.79	0.0279
April		6.75	0.0675	2.79	0.0279
May		6.75	0.0675	2.8	0.028
June		6.75	0.0675	3.05	0.0305
July		6.75	0.0675	3.06	0.0306
August		6.75	0.0675	3.05	0.0305
September		6.75	0.0675	3.05	0.0305
October		6.50	0.0650	3.05	0.0305
November		6.00	0.0600	3.05	0.0305

December		6.00	0.0600	3.05	0.0305
January	2012	6.00	0.0600	3.05	0.0305
February		5.75	0.0575	3.11	0.0311
March		5.75	0.0575	3.07	0.0307
April		5.75	0.0575	3.06	0.0306
May		5.75	0.0575	3.06	0.0306
June		5.75	0.0575	3.06	0.0306
July		5.75	0.0575	3.06	0.0306
August		5.75	0.0575	3.06	0.0306
September		5.75	0.0575	3.09	0.0309
October		5.75	0.0575	3.06	0.0306
November		5.75	0.0575	3.06	0.0306
December		5.75	0.0575	3.11	0.0311
January	2013	5.75	0.0575	3.06	0.0306
February		5.75	0.0575	3.07	0.0307
March		5.75	0.0575	3.06	0.0306
April		5.75	0.0575	3.06	0.0306
May		5.75	0.0575	3.06	0.0306
June		6.00	0.0600	3.08	0.0308
July		6.50	0.0650	3.07	0.0307
August		7.00	0.0700	3.06	0.0306
September		7.25	0.0725	3.1	0.031
October		7.25	0.0725	3.06	0.0306
November		7.50	0.0750	3.06	0.0306
December		7.50	0.0750	3.07	0.0307
January	2014	7.50	0.0750	3.2	0.032
February		7.50	0.0750	3.06	0.0306
March		7.50	0.0750	3.07	0.0307
April		7.50	0.0750	3.06	0.0306
May		7.50	0.0750	3.06	0.0306
June		7.50	0.0750	3.06	0.0306
July		7.50	0.0750	3.06	0.0306
August		7.50	0.0750	3.30	0.033
September		7.50	0.0750	3.35	0.0335
October		7.50	0.0750	3.31	0.0331
November		7.75	0.0775	3.36	0.0336
December		7.75	0.0775	3.42	0.0342
January	2015	7.75	0.0775	3.38	0.0338
February		7.50	0.0750	3.41	0.0341

March		7.50	0.0750	3.29	0.0329
April		7.50	0.0750	3.28	0.0328
May		7.50	0.0750	3.28	0.0328
June		7.50	0.0750	3.28	0.0328
July		7.50	0.0750	3.28	0.0328
August		7.50	0.0750	3.24	0.0324
September		7.50	0.0750	3.25	0.0325
October		7.50	0.0750	3.25	0.0325
November		7.50	0.0750	3.25	0.0325
December		7.50	0.0750	3.23	0.0323

Descriptive Statistics

Descriptive Statistic Table of Dependent Variables

	Market Liquidity		Market Capitalization		Market Return	
	MLI	**MLM**	**MCI**	**MCM**	**MRI**	**MRM**
Mean	0.190852	0.044216	0.031709	0.008058	0.000133	-2.790E-05
Median	-0.01013	-0.03101	0.02351	0.01104	0.00019	9.00E-05
Maximum	15.60535	1.3671	1.79228	0.13915	0.00201	0.00135
Minimum	-0.56599	-0.63491	-0.3123	-0.14951	-0.00314	-0.01
Std. Dev.	1.485254	0.313707	0.174985	0.038853	0.00064	0.000994
Skewness	9.559935	1.396467	8.573033	-0.506906	-1.039275	-8.580601
Kurtosis	99.23947	6.326582	87.7585	5.572636	8.066788	86.72947
Jarque-Bera	47736.88	93.54703	37078.37	37.91276	148.7138	36221.27
Probability	0.0000000	0.0000000	0.000000	0.000000	0.000000	0.0000000
Sum	22.71138	5.26171	3.77334	0.95886	0.01578	-0.00332
Sum Sq. Dev.	260.3056	11.61263	3.613121	0.178131	4.83E-05	0.000117
Observations	119	119	119	119	119	119

Descriptive Statistic Table of Independent Variables

	GDP Growth		Inflation rate		Interest Rate	
	GDPI	GDPM	INFI	INFM	IRI	IRM
Mean	0.019123	0.016428	0.068057	0.02565	0.076646	0.030924
Median	0.019345	0.017885	0.0629	0.025975	0.075	0.03075
Maximum	0.0271	0.03642	0.1792	0.08522	0.1275	0.0379
Minimum	0.01349	-0.02095	0.02396	-0.0248	0.0575	0.0202
Std. Dev.	0.00297	0.009703	0.033016	0.017452	0.017361	0.004569
Skewness	0.519019	-2.02109	1.502794	0.614346	1.439573	-0.97129
Kurtosis	3.250159	8.08963	5.018402	6.715356	4.818997	3.341578
Jarque-Bera	5.700519	211.2174	65.53755	76.56776	57.99118	19.45158
Probability	0.057829	0	0	0	0	0.00006
Sum	2.29477	1.9714	8.16689	3.07797	9.1975	3.7109
Sum Sq. Dev.	0.00105	0.011203	0.129713	0.036243	0.035869	0.002484
Observations	120	120	120	120	120	120

Heteroscedasticity Test Result

- **Market Liquidity Indonesia**

Heteroskedasticity Test: White

F-statistic	0.847959	Prob. F(3,115)	0.4704
Obs*R-squared	2.575389	Prob. Chi-Square(3)	0.4618
Scaled explained SS	110.7454	Prob. Chi-Square(3)	0.0000

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:13
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	14.32919	8.786586	1.630803	0.1057
GDPIND^2	-25338.02	16188.82	-1.565155	0.1203
INFIND^2	201.5284	672.9564	0.299467	0.7651
IRIND^2	-625.4022	1343.850	-0.465381	0.6425

R-squared	0.021642	Mean dependent var	2.134827
Adjusted R-squared	-0.003880	S.D. dependent var	20.57314
S.E. of regression	20.61302	Akaike info criterion	8.922758
Sum squared resid	48863.11	Schwarz criterion	9.016174
Log likelihood	-526.9041	Hannan-Quinn criter.	8.960692
F-statistic	0.847959	Durbin-Watson stat	2.058440
Prob(F-statistic)	0.470426		

- **Market Liquidity Malaysia**

Heteroskedasticity Test: White

F-statistic	1.038574	Prob. F(3,115)	0.3783
Obs*R-squared	3.139048	Prob. Chi-Square(3)	0.3707
Scaled explained SS	6.876319	Prob. Chi-Square(3)	0.0759

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:46
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.152334	0.082862	1.838418	0.0686
GDPMLY^2	-81.22183	92.76434	-0.875572	0.3831
INFMLY^2	21.94825	15.78537	1.390417	0.1671
IRMLY^2	-49.58861	76.47370	-0.648440	0.5180

R-squared	0.026379	Mean dependent var		0.095432
Adjusted R-squared	0.000980	S.D. dependent var		0.207572
S.E. of regression	0.207471	Akaike info criterion		-0.274618
Sum squared resid	4.950067	Schwarz criterion		-0.181203
Log likelihood	20.33980	Hannan-Quinn criter.		-0.236685
F-statistic	1.038574	Durbin-Watson stat		2.221799
Prob(F-statistic)	0.378323			

- **Market Capitalization Indonesia**

Heteroskedasticity Test: White

F-statistic	2.564991	Prob. F(3,115)	0.0581
Obs*R-squared	7.463238	Prob. Chi-Square(3)	0.0585
Scaled explained SS	272.3362	Prob. Chi-Square(3)	0.0000

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:31
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.156550	0.103552	-1.511803	0.1333
GDPIND^2	77.75518	190.7884	0.407547	0.6844
INFIND^2	-20.08147	7.930922	-2.532047	0.0127
IRIND^2	43.70279	15.83753	2.759445	0.0067

R-squared	0.062716	Mean dependent var		0.027904
Adjusted R-squared	0.038265	S.D. dependent var		0.247714
S.E. of regression	0.242928	Akaike info criterion		0.040936
Sum squared resid	6.786637	Schwarz criterion		0.134352
Log likelihood	1.564312	Hannan-Quinn criter.		0.078869
F-statistic	2.564991	Durbin-Watson stat		2.150189
Prob(F-statistic)	0.058060			

- **Market Capitalization Malaysia**

Heteroskedasticity Test: White

F-statistic	0.981154	Prob. F(3,115)	0.4043
Obs*R-squared	2.969829	Prob. Chi-Square(3)	0.3963
Scaled explained SS	4.918104	Prob. Chi-Square(3)	0.1779

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:51
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.001116	0.000921	1.210901	0.2284
GDPMLY^2	-0.473605	1.031464	-0.459158	0.6470
INFMLY^2	0.257138	0.175520	1.465003	0.1456
IRMLY^2	0.029994	0.850325	0.035273	0.9719

R-squared	0.024957	Mean dependent var	0.001220
Adjusted R-squared	-0.000479	S.D. dependent var	0.002306
S.E. of regression	0.002307	Akaike info criterion	-9.272785
Sum squared resid	0.000612	Schwarz criterion	-9.179369
Log likelihood	555.7307	Hannan-Quinn criter.	-9.234851
F-statistic	0.981154	Durbin-Watson stat	2.056197
Prob(F-statistic)	0.404285		

- **Market Return Indonesia**

Heteroskedasticity Test: White

F-statistic	1.499323	Prob. F(3,115)	0.2185
Obs*R-squared	4.479224	Prob. Chi-Square(3)	0.2142
Scaled explained SS	13.39672	Prob. Chi-Square(3)	0.0039

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:37
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.40E-07	4.08E-07	1.077229	0.2836

GDPIND^2	-0.000216	0.000752	-0.287773	0.7740
INFIND^2	4.64E-05	3.13E-05	1.483495	0.1407
IRIND^2	-3.86E-05	6.24E-05	-0.618984	0.5372

R-squared	0.037641	Mean dependent var	3.79E-07
Adjusted R-squared	0.012536	S.D. dependent var	9.64E-07
S.E. of regression	9.58E-07	Akaike info criterion	-24.84642
Sum squared resid	1.05E-10	Schwarz criterion	-24.75301
Log likelihood	1482.362	Hannan-Quinn criter.	-24.80849
F-statistic	1.499323	Durbin-Watson stat	1.768606
Prob(F-statistic)	0.218502		

- **Market Return Malaysia**

Heteroskedasticity Test: White

F-statistic	0.222039	Prob. F(3,115)	0.8809
Obs*R-squared	0.685317	Prob. Chi-Square(3)	0.8767
Scaled explained SS	28.69662	Prob. Chi-Square(3)	0.0000

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 05/27/16   Time: 01:54
Sample: 2006M02 2015M12
Included observations: 119

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.67E-06	3.69E-06	0.994934	0.3219
GDPMLY^2	-0.001608	0.004128	-0.389544	0.6976
INFMLY^2	-0.000190	0.000702	-0.270833	0.7870
IRMLY^2	-0.001987	0.003403	-0.583754	0.5605

R-squared	0.005759	Mean dependent var	9.61E-07
Adjusted R-squared	-0.020178	S.D. dependent var	9.14E-06
S.E. of regression	9.23E-06	Akaike info criterion	-20.31471
Sum squared resid	9.80E-09	Schwarz criterion	-20.22129
Log likelihood	1212.725	Hannan-Quinn criter.	-20.27678
F-statistic	0.222039	Durbin-Watson stat	2.024371
Prob(F-statistic)	0.880920		

APPENDIX 5

Multicollinearity Test Result

- **Market Liquidity Indonesia**

	MLIND	GDPIND	INFIND	IRIND
MLIND	1.000000	-0.147131	0.018034	0.000807
GDPIND	-0.147131	1.000000	-0.122921	-0.182717
INFIND	0.018034	-0.122921	1.000000	0.843778
IRIND	0.000807	-0.182717	0.843778	1.000000

- **Market Liquidity Malaysia**

	MLMLY	GDPMLY	INFMLY	IRMLY
MLMLY	1.000000	-0.034801	0.137898	0.028967
GDPMLY	-0.034801	1.000000	0.045341	0.330597
INFMLY	0.137898	0.045341	1.000000	0.515568
IRMLY	0.028967	0.330597	0.515568	1.000000

- **Market Capitalization Indonesia**

	MCIND	GDPIND	INFIND	IRIND
MCIND	1.000000	0.028010	-0.079836	0.075811
GDPIND	0.028010	1.000000	-0.122921	-0.182717
INFIND	-0.079836	-0.122921	1.000000	0.843778
IRIND	0.075811	-0.182717	0.843778	1.000000

- **Market Capitalization Malaysia**

	MCMLY	GDPMLY	INFMLY	IRMLY
MCMLY	1.000000	-0.159829	-0.402795	-0.294790
GDPMLY	-0.159829	1.000000	0.045341	0.330597
INFMLY	-0.402795	0.045341	1.000000	0.515568
IRMLY	-0.294790	0.330597	0.515568	1.000000

- **Market Return Indonesia**

	MRIND	GDPIND	INFIND	IRIND
MRIND	1.000000	-0.030002	-0.153940	-0.020138
GDPIND	-0.030002	1.000000	-0.122921	-0.182717
INFIND	-0.153940	-0.122921	1.000000	0.843778
IRIND	-0.020138	-0.182717	0.843778	1.000000

- **Market Return Malaysia**

	MRMLY	GDPMLY	INFMLY	IRMLY
MRMLY	1.000000	-0.071866	-0.112159	-0.045481
GDPMLY	-0.071866	1.000000	0.045341	0.330597
INFMLY	-0.112159	0.045341	1.000000	0.515568
IRMLY	-0.045481	0.330597	0.515568	1.000000

Autocorrelation Test Result

- **Market Liquidity Indonesia**

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.222774	Prob. F(5,110)	0.9520
Obs*R-squared	1.192923	Prob. Chi-Square(5)	0.9456

Test Equation:
Dependent Variable: RESID
Method: Least Squares
Date: 05/27/16   Time: 14:24
Sample: 2006M02 2015M12
Included observations: 119
Presample missing value lagged residuals set to zero.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.029841	1.315213	0.022689	0.9819
GDPIND	-2.595633	47.69372	-0.054423	0.9567
INFIND	-1.259053	8.372114	-0.150387	0.8807
IRIND	1.402715	15.77819	0.088902	0.9293
RESID(-1)	-0.069298	0.095396	-0.726426	0.4691
RESID(-2)	-0.006081	0.096281	-0.063160	0.9498
RESID(-3)	-0.037840	0.096649	-0.391522	0.6962
RESID(-4)	-0.061656	0.096320	-0.640111	0.5234
RESID(-5)	-0.039370	0.095992	-0.410136	0.6825

R-squared	0.010025	Mean dependent var	-5.15E-16
Adjusted R-squared	-0.061974	S.D. dependent var	1.467283
S.E. of regression	1.512066	Akaike info criterion	3.737448
Sum squared resid	251.4977	Schwarz criterion	3.947634
Log likelihood	-213.3781	Hannan-Quinn criter.	3.822798
F-statistic	0.139233	Durbin-Watson stat	1.999892
Prob(F-statistic)	0.997215		

- **Market Capitalization Indonesia**

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.563748	Prob. F(5,110)	0.7276
Obs*R-squared	2.973177	Prob. Chi-Square(5)	0.7041

Test Equation:
Dependent Variable: RESID
Method: Least Squares
Date: 05/27/16   Time: 14:35
Sample: 2006M02 2015M12
Included observations: 119
Presample missing value lagged residuals set to zero.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.021362	0.150425	-0.142008	0.8873
GDPIND	0.523161	5.422869	0.096473	0.9233
INFIND	-0.258926	0.949258	-0.272766	0.7855
IRIND	0.382364	1.798986	0.212544	0.8321
RESID(-1)	-0.091428	0.095504	-0.957314	0.3405
RESID(-2)	-0.117019	0.096261	-1.215645	0.2267
RESID(-3)	-0.094469	0.096895	-0.974970	0.3317
RESID(-4)	-0.039589	0.096776	-0.409083	0.6833
RESID(-5)	-0.040570	0.096549	-0.420198	0.6752

R-squared	0.024985	Mean dependent var		1.74E-16
Adjusted R-squared	-0.045926	S.D. dependent var		0.167751
S.E. of regression	0.171560	Akaike info criterion		-0.615153
Sum squared resid	3.237603	Schwarz criterion		-0.404967
Log likelihood	45.60159	Hannan-Quinn criter.		-0.529803
F-statistic	0.352343	Durbin-Watson stat		2.000910
Prob(F-statistic)	0.942926			

- **Market Return Indonesia**

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	1.863478	Prob. F(5,110)	0.1065
Obs*R-squared	9.292607	Prob. Chi-Square(5)	0.0979

Test Equation:
Dependent Variable: RESID
Method: Least Squares
Date: 05/27/16   Time: 14:39
Sample: 2006M02 2015M12
Included observations: 119
Presample missing value lagged residuals set to zero.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.74E-05	0.000540	0.032320	0.9743
GDPIND	-0.000704	0.019465	-0.036152	0.9712
INFIND	0.000310	0.003451	0.089930	0.9285
IRIND	-0.000312	0.006482	-0.048079	0.9617
RESID(-1)	0.239951	0.095405	2.515085	0.0133
RESID(-2)	-0.139944	0.099120	-1.411855	0.1608
RESID(-3)	0.175050	0.098830	1.771228	0.0793

RESID(-4)	-0.076895	0.099508	-0.772752	0.4413
RESID(-5)	-0.028773	0.097039	-0.296510	0.7674

R-squared	0.078089	Mean dependent var	1.19E-19
Adjusted R-squared	0.011041	S.D. dependent var	0.000618
S.E. of regression	0.000615	Akaike info criterion	-11.87729
Sum squared resid	4.16E-05	Schwarz criterion	-11.66711
Log likelihood	715.6990	Hannan-Quinn criter.	-11.79194
F-statistic	1.164674	Durbin-Watson stat	2.008466
Prob(F-statistic)	0.326995		

- **Market Liquidity Malaysia**

Dependent Variable: MLM
Method: Least Squares
Date: 05/29/16   Time: 03:01
Sample (adjusted): 2006M02 2015M12
Included observations: 119 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.081268	0.210291	0.386453	0.6999
GDPM	-0.867680	3.184995	-0.272427	0.7858
INFM	2.917592	1.951146	1.495322	0.1376
IRM	-3.152799	7.884489	-0.399874	0.6900

R-squared	0.022064	Mean dependent var	0.044216
Adjusted R-squared	-0.003447	S.D. dependent var	0.313707
S.E. of regression	0.314247	Akaike info criterion	0.555762
Sum squared resid	11.35640	Schwarz criterion	0.649178
Log likelihood	-29.06785	Hannan-Quinn criter.	0.593695
F-statistic	0.864885	**Durbin-Watson stat**	**2.240463**
Prob(F-statistic)	0.461552		

- **Market Capitalization Malaysia**

Dependent Variable: MCM
Method: Least Squares
Date: 05/29/16   Time: 02:42
Sample (adjusted): 2006M02 2015M12
Included observations: 119 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.054361	0.023772	2.286715	0.0240
GDPM	-0.482220	0.360047	-1.339323	0.1831
INFM	-0.803529	0.220567	-3.643012	0.0004
IRM	-0.576504	0.891301	-0.646811	0.5190

R-squared	0.185290	Mean dependent var	0.008058
Adjusted R-squared	0.164037	S.D. dependent var	0.038853

S.E. of regression	0.035524	Akaike info criterion	-3.804178
Sum squared resid	0.145125	Schwarz criterion	-3.710762
Log likelihood	230.3486	Hannan-Quinn criter.	-3.766245
F-statistic	8.718180	**Durbin-Watson stat**	**1.892718**
Prob(F-statistic)	0.000029		

- **Market Return Malaysia**

Dependent Variable: MRM
Method: Least Squares
Date: 05/29/16   Time: 02:15
Sample (adjusted): 2006M02 2015M12
Included observations: 119 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-3.80E-05	0.000667	-0.056919	0.9547
GDPM	-0.008443	0.010108	-0.835327	0.4053
INFM	-0.007657	0.006192	-1.236541	0.2188
IRM	0.011145	0.025022	0.445390	0.6569

R-squared	0.018741	Mean dependent var	-2.79E-05
Adjusted R-squared	-0.006857	S.D. dependent var	0.000994
S.E. of regression	0.000997	Akaike info criterion	-10.95001
Sum squared resid	0.000114	Schwarz criterion	-10.85659
Log likelihood	655.5254	Hannan-Quinn criter.	-10.91207
F-statistic	0.732133	**Durbin-Watson stat**	**2.121578**
Prob(F-statistic)	0.534889		

APPENDIX 7

Multiple Regression Result

- **Market Liquidity Indonesia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	2,046	1,292		1,583	,116
	GDPI	-77,043	46,777	-,155	-1,647	,102
	INFI	3,596	8,036	,077	,447	,655
	IRI	-8,171	15,355	-,092	-,532	,596
2	(Constant)	1,823	1,188		1,534	,128
	GDPI	-75,805	46,534	-,152	-1,629	,106
	IRI	-2,387	8,261	-,027	-,289	,773
3	(Constant)	1,594	,882		1,807	,073
	GDPI	-73,348	45,571	-,147	-1,610	,110
4	(Constant)	,191	,136		1,402	,164

- **Market Capitalization Indonesia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-,256	,148		-1,733	,086
	GDPI	3,504	5,348	,060	,655	,514
	INFI	-2,784	,919	-,506	-3,031	,003
	IRI	5,351	1,755	,513	3,048	,003
2	(Constant)	-,178	,088		-2,027	,045
	INFI	-2,749	,915	-,499	-3,004	,003
	IRI	5,180	1,732	,497	2,991	,003

- **Market Return Indonesia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	,000	,001		-,444	,658
	GDPI	-,004	,020	-,019	-,207	,836
	INFI	-,010	,003	-,475	-2,823	,006
	IRI	,014	,006	,377	2,220	,028
2	(Constant)	,000	,000		-1,026	,307
	INFI	-,010	,003	-,477	-2,852	,005
	IRI	,015	,006	,382	2,285	,024

- **Market Liquidity Malaysia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	,081	,210		,386	,700
	GDPM	-,868	3,185	-,027	-,272	,786
	INFM	2,918	1,951	,163	1,495	,138
	IRM	-3,153	7,884	-,046	-,400	,690
2	(Constant)	,089	,208		,427	,670
	INFM	3,000	1,920	,167	1,562	,121
	IRM	-3,924	7,330	-,057	-,535	,593
3	(Constant)	-,019	,051		-,374	,709
	INFM	2,470	1,640	,138	1,506	,135
4	(Constant)	,044	,029		1,538	,127

- **Market Capitalization Malaysia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	,054	,024		2,287	,024
	GDPM	-,482	,360	-,121	-1,339	,183
	INFM	-,804	,221	-,362	-3,643	,000
	IRM	-,577	,891	-,068	-,647	,519
2	(Constant)	,040	,008		5,094	,000
	GDPM	-,566	,335	-,142	-1,688	,094
	INFM	-,879	,186	-,396	-4,716	,000

- **Market Return Malaysia**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-3,80E-005	,001		-,057	,955
	GDPM	-,008	,010	-,083	-,835	,405
	INFM	-,008	,006	-,135	-1,237	,219
	IRM	,011	,025	,051	,445	,657
2	(Constant)	,000	,000		1,106	,271
	GDPM	-,007	,009	-,067	-,726	,469
	INFM	-,006	,005	-,109	-1,184	,239
3	(Constant)	,000	,000		,836	,405
	INFM	-,006	,005	-,112	-1,221	,225
4	(Constant)	-2,79E-005	,000		-,306	,760