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**A STUDY ON RISK AND PREDICTABILITY
OF RETURN IN THE
MALAYSIAN SECURITIES MARKET**

By

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ABSTRACT

The purpose of the study is to explore the extent to which beta coefficients are useful for predicting the future returns and to determine the usefulness of beta coefficients in securities portfolio analysis and investment strategy. This study is similar to various studies conducted in the past by both local and overseas researchers.

The data used in the study were the weekly closing prices of stocks listed in the Kuala Lumpur Stock Exchange from 1991 to 1995. The relationship between market risk, beta and return are analysed for both individual securities and portfolios.

The findings of this study are consistent with those findings obtained by previous researchers, locally and abroad.

LIST OF TABLES

	PAGE
Table 3.1 KLSE CI LEVELS AND PERCENTAGE CHANGES.....	23
02 January 1994 - 31 December 1995	
Table 4.1 Product-Moment Correlation Coefficients and Spearman's.....	27
Rank Correlation Coefficients Of Beta Coefficients and Returns of Individual Securities	
Table 4.2 Product-Moment Correlation Coefficients and Spearman's.....	30
Rank Correlation Coefficients Of Beta Coefficients and Returns of Portfolios of Securities	

TABLE OF CONTENTS

	PAGE
ACKNOWLEDGEMENTS	i
ABSTRACT	ii
LIST OF TABLES	iii
CHAPTER	
1. INTRODUCTION	
1.1 Objective of the Study	1
1.2 The Kuala Lumpur Stock Exchange (KLSE)	2
1.3 Stock market index	3
1.4 Organisation of the Study.....	4
2. LITERATURE REVIEW	
2.1 Introduction	6
2.2 Capital Asset Pricing Model (CAPM)	8
3. DATA AND METHODOLOGY	
3.1 Sources of data and sample	17
3.2 Performance measure	17
3.3 The risk measure, Beta	18
3.4 Beta and related issues.....	19

	PAGE
3.5 Portfolio construction	21
3.6 Statistical analysis	22
3.7 Limitations of the Study	24
 4. THE RESEARCH FINDINGS	
4.1 Correlation analysis for Individual securities	26
4.2 Correlation analysis for Portfolios of securities	29
 5. CONCLUSION AND RECOMMENDATION	
5.1 Summary and Discussion	34
5.2 Conclusion.....	35
5.3 Recommendations.....	37
 BIBLIOGRAPHY.....	38
 APPENDICES.....	40