TABLE OF CONTENTS

		PAGE
ABS	TRACT	i
	NOWLEDGEMENT	
	LE OF CONTENTS	
	OF TABLES	
	OF FIGURES	v
	PTER 1	_
	ODUCTION OBJECTIVES OF STUDY	1
	CONTRIBUTION	3
	ORGANISATION OF THE CHAPTERS	4
	PTER 2	5
	RATURE REVIEW	6
	OVERVIEW : FOREIGN EQUITY	6
22	PREVIOUS STUDIES	9
2.3	THEORETICAL ISSUES	11
	PTER 3	''
	EARCH METHODOLOGY	13
	HYPOTHESES	13
3.2		17
	3.2.1 SAMPLE	17
	3.2.2 SOURCES OF DATA	18
	3.2.3 METHOD OF ANALYSIS	19
	3.2.4 THE EVENT STUDY METHOD	21
	3.2.5 PERIOD OF STUDY	24
CHA	PTER 4	
	ULTS AND INTERPRETATIONS	26
4.1		26
4.2	STOCK RETURNS	29
	DESCRIPTIVE ANALYSIS	34
4.4	THE EVENT OF OBT RESOLTS	43
	4.4.1 MONTHLY RETURN	43
	4.4.2 DAILY RETURN	49
	PTER 5	
	CLUSIONS AND RECOMMENDATIONS	56
5.1		56
	PROBLEMS AND LIMITATIONS	59
	RECOMMENDATIONS	59
5.4	SUGGESTIONS FOR ADDITIONAL RESEARCH	60
RIBL	IOGRAPHY	61

APPENDICES

LIST OF TABLES

Tables	•	Page
1	The Average Monthly Prices for Local Majority Equity	27
	Companies (LMECs), Foreign Majority Equity	
	Companies(FMECs) and the Monthly Values for	
_	KLCI: Jan 1995 – Dec 1999.	• •
2	The Average Monthly Returns for Local Majority Equity	31
	Companies (LMECs), Foreign Majority Equity	
	Companies(FMECs) and the Monthly Values for KLCI:	
0(4)	Jan 1995 – Dec 1999.	0.4
3(A)	The Average Monthly Returns for Local Majority Equity	34
0(D)	Companies (LMECs)	25
3(B)	The Results of the T-test Assuming Equal Variances for	35
4(4)	Average Monthly Returns of the LMECs. The Average Monthly Returns for Foreign Majority Equity	36
4(A)	Companies(FMECs).	30
4(B)	The Results of the T-test Assuming Equal Variances for	37
4(D)	Average Monthly Returns of the FMECs.	31
5	T-Test Results on Average Monthly Returns Between	39
5	LMECs and FMECs before the Financial Crisis.	39
6	T-Test Results on Average Monthly Returns Between	40
U	LMECs and FMECs during the Financial Crisis.	40
7(A)	The Statistics of Average Monthly Returns Differences for	41
<i>(</i> (~)	Local Majority Equity Companies(LMECs) and Foreign	71
	Majority Equity Companies (FMECs) Due to the Crisis	
7(B)	T-Test Results on Average Monthly Returns Between	42
. (5)	LMECs and FMECs Due to the Financial Crisis.	
8	The Results of the CAR and Z-Test for the LMECs from	45
-	the Period of May 1997 to December 1999.	
9	The Results of the CAR and Z-Test for the FMECs from	46
	the Period of May 1997 to December 1999.	
10	The Local Majority Equity Companies (LMECs) Abnormal	50
	Return Over 36 Days of the Financial Crisis.	- •
11	The Foreign Majority Equity Companies (FMECs)	52
	Abnormal Return Over 36 Days of the Financial Crisis.	

LIST OF FIGURES

Figures		Page
1(A)	The Monthly Values of Kuala Lumpur Composite Index (KLCI).	28
1(B)	The Average Monthly Prices for Stock of LMECs as Compared to Stock of FMECs.	28
2	The Average Monthly Returns of LMECs and FMECs as Compared to KLCI Returns	32
3	The Cumulative Average Returns of LMECs and FMECs as Compared to the Cumulative Average Returns of KLCI	33
4	Comparison of Cumulative Abnormal Returns (CAR) for LMECs and Cumulative Abnormal Returns (CAR) for FMECs.	48
5	Comparison Between Cumulative Abnormal Returns (CAR) for LMECs and FMECs Groups.	54