

IMPACT OF KSE ON BETTERMENT OF THE ECONOMIC IMAGE OF PAKISTAN

By

**AMEENA TARIQ
36705**

A thesis presented to the Department of Management Sciences, Bahria University
Karachi Campus, in partial fulfillment of the requirements
of the MBA degree



FALL, 2015

Bahria University Karachi Campus



MBA Thesis
1st Half-semester Progress Report

Name of Student	AMEENA JARROO
Registration No.	36705
Thesis Title	Impact of KSE on betterment of the economic image of Pakistan

Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
1.	12/sep/15	Faculty Cabin	Introduction	Ameena
2.	23/sep/15	Faculty Cabin	Literature view	Ameena
3.	14/oct/15	Faculty Cabin	Research Method	Ameena
4.	15/Nov/15	Faculty Cabin	Research Procedure	Ameena

Progress Satisfactory

Progress Unsatisfactory

Remarks: _____

Signature of Supervisor: Kaleem Ahmed Ghias

Date: _____

Name: Kaleem Ahmed Ghias

Kaleem Ahmed Ghias



MBA Thesis
2nd Half-semester Progress Report & Thesis Approval
Statement

Name of Student	AMEENA TARIQ
Registration No.	36705
Thesis Title	Impact of KSE on betterment of the economic image of Pakistan

Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
5	26/Nov/15	Cubical	Data Presentation	Ameena
6	5/Dec/15	Faculty cubical	Critical Debate	Ameena
7	20/Dec/15	Faculty cubical	Final review on thesis (whole)	Ameena

APPROVAL FOR EXAMINATION

Candidate's Name: Ameena Tariq Registration No. 36705
 Thesis Title: IMPACT OF KSE ON BETTERMENT OF THE ECONOMIC IMAGE OF PAKISTAN

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at ----- that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature: H. Ghani Date: _____
 Name: Kaleem Ahmed Ghani
 HoD's Signature: _____ Date: _____

Abstract

Purpose: The purpose of the study is to examine the role of Karachi Stock Exchange (KSE) in making the positive image of Pakistan's economy. After facing my economic downfall, now it's a revival of Pakistan's economy with respect to positive developments in different sectors of the economy. This changing scenario created a need to do a research, that what developments took place in KSE and Pakistan's economy.

Sample: Time series data from 2000-2015 data has used in this study. There are four independent variables foreign direct investment (FDI), private investment (PI), market capitalization (MC), market index (MI) and one dependent variable Gross domestic Product (GDP) of the study. For analysis Regression method is used.

Findings: The study finds a positive relationship of (GDP) with (FDI), (PI), (MC), while a negative relationship between GDP and (MI). GDP is one of the important benchmark of economic growth. Regression analysis showed that \$1 change in FDI, MC, MI, and PI will change the GDP by \$0.527, \$0.552, \$ 0.558, \$ 0.518 respectively.

Practical Implications: Though since 2005 Pakistan's GDP's average increment is 5% with good performance of KSE, still there is so much to do to change it further. To give a new life to economic growth, it's an ultimate requirement to encourage investors in Pakistan. For this, it's necessary to change Pakistan's image from corrupt terrorist place to transparent and secure place to invest. The study will create a better understanding regarding the long-run relationship of economic growth and role of KSE.

Keywords: Economic growth, GDP, FDI, PI, MC, MI, KSE

Table of Contents

MBA Thesis/Project Supervisor Allocation Form	i
1 st Half semester progress report	ii
2 nd Half semester progress report	iii
Declaration of Authentication	iv
First page of Originality reprot.....	v
Abstract	vi
Acknowledgment	vii
Table of Contents	viii-xi
Chapter – 1 INTRODUCTION	1
1.1 Introduction	1
1.2 Background	2
1.3 Statement of Problem	4
1.4 Research Questions	4
1.5 Research objectives	5
1.6 Significance of the Study	5
1.7 Scope	5
1.8 Limitations	5
Chapter – 2 LITERATURE REVIEW	6
Chapter – 3 RESEARCH METHOD & PROCEDURE	10
3.1 Research Method.....	10
3.2 Research Design.....	10
3.3 Sources of Data	10
3.4 Variables of Research.....	10
3.5 Theoretical Framework	11
3.6 Research Hypothesis	11
3.7 Sample Size.....	12
Chapter – 4 PRESENTATION ANALYSIS.....	13
4.1 Research Plan	13

4.2 Statistical Tool.....	13
4.3 Regression Analysis.....	14
4.4 Results.....	15
Chapter – 5 CRITICAL DEBATE.....	17
Chapter – 6 CONCLUSION & RECOMMENDATION.....	20
6.1 Conclusion.....	20
6.2 Recommendation.....	21
References.....	23