THE RELEVANCE AND PERFORMANCE OF TNB STOCK: A COMPARISON TO THE MALAYSIAN STOCK MARKET

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Abstract

The purpose of the study had been aimed to further the understanding in exploring the relevance performance of the monopoly stock of Tenaga Nasional Berhad (TNB) to assess the stock performance return in comparison against the Malaysian stock market with reference towards the measurement of the Kuala Lumpur Stock Exchange (KLSE) market index performance as the benchmark. With reference to the previous studies, there is relevance support to identify the tendency of the findings to suggest the higher performance for the major stocks like TNB stock where the business model of TNB being monopolizing the industry creating the upper hand for the stability in driving the revenue and profit leading to higher value in the stock price. The methodology of the research had further the quantitative analysis study using the historical data of 10years from 2014 to 2023 to identify the potential pattern and trend to assess the comparison for the performance and trading trend for both the TNB stock and market index of KLSE. The outcome of the research had suggested the sufficient evidence to identify the higher average return for the TNB stock over the negative return average being achieved by the KLSE market index putting clear picture on the higher performance of the monopoly TNB stock. In addition, the growth of the trading volume trend had suggested that the investors are being higher confidence towards the growth of the TNB stock where the growth of the trading volume for TNB stock is higher than the trading volume for KLSE market index and even exceeding the average return for the TNB stock. This had been in alignment with the previous study where the outcome for the study had created the significant contribution towards the academic and investors to invest in the monopoly stock like TNB and extending the potential area of study for the future research.

Keywords: Kuala Lumpur Stock Exchange (KLSE), TNB, monopoly, investors, confidence

Introduction

As the very definition of investing is to improve one's financial situation, investors have never been impartial on the subject (Sheta, Ahmed, and Faris, 2015). It will be used for this purpose to increase the investment's value as a result of interest and appreciation. Because of the perceived ease and significant potential returns it offers to those who use a sound investment plan, trading shares of stock on a stock exchange has always been a popular option when it comes to financial investments (Iqbal & Riaz, 2015). But because investor confidence in the market will fluctuate for a number of reasons (He et al., 2020).

In order to benefit from an increase in a company's stock price and/or dividend payments, one invests in stocks (He et al., 2020). Before buying stock, it is important to conduct thorough research on the company, its financial standing, and any market or economic conditions that might have an impact on the company's success. Market share growth, share price performance, debt levels, competition from similar businesses, and governmental regulations are a few things to take into account. According to Javanmard and Hasani (2017), a brokerage account is a type of financial institution that enables customers to purchase stocks and provides them with a variety of tools and opportunities for investing, including stock screeners, market news and analysis, and research reports. Remember that investing in stocks is risky by nature and that the value of your investment may increase or decrease depending on a variety of factors. Risk can be decreased and returns can be increased with a long-term investment strategy that incorporates diversification (Iqbal & Riaz, 2015).

Market indices are used by statisticians to measure the overall market performance of stocks and other financial instruments. Indicators of market performance are used to evaluate the market as a whole and to evaluate the relative performance of different assets (Alsabban & Alarfaj, 2020). Since many ETFs and mutual funds are designed to mimic the movements of a single market index, market indices are frequently used by mutual funds and exchange-traded funds (ETFs) as performance benchmarks (Grnholdt et al., 2015). The Dow Jones Industrial Average, Nasdaq Composite, and S&P 500 are well-known market indices. Bursa Malaysia, also referred to as the Kuala Lumpur Stock Exchange Composite Index, is one of the top ASEAN stock market indices. There are 949 PLCs listed with Bursa Malaysia as of the most recent count in 2021 (Chiah & Zhong, 2020).

The stock performance usually will provide high importance and relevance towards the investors to explore and understand the potential return from the stock investment. The comparison drawn by the investors had often been reflected against the market performance benchmark which is usually measured to understand the performance of the stock (Lew & Saville, 2021). The preference for the investors had been proven to have the tendency to invest in stocks that are consistently performing above the market index average to induce the higher return over the market average. Therefore, it is common for investors to hunt for blue-chip stocks that are more likely to be more stable and provide lesser risk instead of choosing the stocks that create the higher return that comes with higher risk (Setiawan & Rosa, 2023). This is supported by the fact where majority of the investors are risk averse when comes to investment decision. For instance, monopoly companies' stock like Tenaga Nasional Berhad (TNB) had been considered as the preferred stock for investment by majority of the investors where the business and growth of the stock price is being optimistic contributed by the factors where

there is lack of competition to threaten the business (Solares et al., 2022). In addition, the electricity services from TNB are deemed to be necessity and hardly to be in risk in losing out the business revenue.

Despite the convincing support from the investors and the previous investment studies, the fact where the investment into the company like TNB had still create the doubt as there is no solid evidence to point out the confirmation of gaining higher return from investing in TNB stocks. This had directed the creation of the problem statement for the study where the problem statement had led to the question on the comparison for the performance on the return on investment (ROI) from the TNB stocks against the KLSE market index benchmark (Setiawan & Rosa, 2023). This is mainly driven by the motivation to understand the ability of the TNB stock return to outperform the stock return from the average within the Malaysian stock market. Besides, the second problem statement will direct the question to identify the level of confidence among the investors when coms to the investment decision in TNB stocks (Solares et al., 2022). With this, the research questions for the current study had been developed as below to address the need for the purpose for the research to achieve the conclusion from the problem statement highlighted.

1) What is the TNB stock performance against the KLSE market index benchmark in Malaysian stock market?
2) What is the comparison of the investors' confidence level for TNB stocks within the Malaysian stock market?

Literature Review

The behavior of the stock market has helped define a number of factors that can be used to explain the ups and downs in stock prices (Adeyeye, Aluko, & Migiro, 2018; Pasha, Ramzan, & Asif, 2019). Due to the influence of numerous factors outside of the company, the future direction of the stock price cannot be predicted with certainty (Abdullahi, 2020). For this reason, the stock market is frequently referred to as uncertain. Because of this, it's crucial for investors, especially those who place significant bets, to monitor the volatility of their portfolios and use that information to determine how much risk they're willing to take in order to earn a certain amount of money. Stock price behavior is frequently used to translate stock performance that is out of step with business performance on the corporate organization (Adeyeye, Aluko, & Migiro, 2018). For example, during the Great Depression, the financial crisis of 2008 led to a sharp decline in most stock values as a result of the economic downturn, putting the entire business market in danger due to the inability to commit additional revenues during the time (Ruhani, Ahmad, & Islam, 2018).

The rise or fall of a particular group of stocks or the entire stock market is statistically measured by market indices, also referred to as stock market indices (Vintila, Gherghina, & Toader, 2019). A market index's value is typically calculated by taking the prices of the stocks that make up the index and averaging them. Market indices can be used by analysts and investors to assess the state of the market as a whole and evaluate the performance of various stocks and portfolios (Alsabban & Alarfaj, 2020). The S&P 500, Dow Jones Industrial Average, Nasdaq Composite, and Russell 2000 are some of the most popular market indices. These indices keep tabs on a broad spectrum of firms across numerous markets and industries (Vasileiou, 2021).

The previous study showed that using the market index as a benchmark to forecast the stock price performance of individual stocks is very unreliable. Previous research discovered that the direction of the correlation between the performance of individual stocks and the market index varied, having a noticeable impact on stock performance relative to the performance of the market index (Alsabban & Alarfaj, 2020). According to recent studies, the Covid-19 pandemic significantly impacted the majority of businesses, which caused stock values to decline globally (Asif, Pasha, Shafiq, & Craine, 2022; Vasileiou, 2021). However, stock performance data revealed that several healthcare and technology companies had an inverse relationship to the movement of market indices (Vasileiou, 2021). This would offer the alternative concept of anticipating stock performance during a pandemic because the reference on the decline in the market index had been shown not to represent the whole performance of the particular stock (Al-Awadhi et al., 2020).

A similarly fascinating subject that has generated a lot of discussion is the relationship between stock price and market index performance. Jin's (2016) independent study revealed a strong relationship between the performance of individual stocks and the market's overall performance. The study's conclusions were widely regarded as representing an agreement on how stocks operate in the stock market, but the strength of the positive relationship between stock price and market index performance was demonstrated by varying Pearson correlation coefficients (He at al., 2020). A high positive correlation strength indicates that the stock price is highly responsive to changes in the state of the economy, whereas a low positive correlation strength indicates that the stock price is largely unaffected by economic changes (Chien et al., 2015).

Investor confidence, an indicator of stock market buying and selling, is essential to the stability of the financial system. According to prior studies, changes in market indices and investor behavior are significantly correlated, so when the stock market falls, investors tend to become more risk averse (He at al., 2020). Looking back to 2008 and the analysis of the stock market, we can see that the financial crisis had a significant impact on the stock market, leading to significant losses for the majority of investors as a result of a sharp decline in stock prices (Alsabban & Alarfaj, 2020). This means that the KLSE, NYSE, and NASDAQ all experienced similar effects from the stock market downturn (Jin, 2016). Because Malaysian investors are more risk-tolerant than other investors, the distribution of share lots in that country was immediately reduced from 1,000 units to 100 units, reflecting this. The original goal of reducing the share unit from 1,000 to 100 was to allow investors to invest less money while maintaining the same level of commitment, thereby lowering the risk of the investment (Chiah & Zhong, 2020).

The state of the economy is another important determinant that investors can use to forecast how stock prices will perform in the future. Investors had been given clear notice by the economic downturn that businesses were stagnating and that there was little hope for future stock market growth (Chiah & Zhong, 2020). According to data showing that several countries had been having trouble with the economic recovery, which in turn affected the recovery phase inside the stock market, previous research had suggested that the economic recovery period will probably take some time in the timeline (He at al., 2020).

The straightforward finding from the review of the literature was that there is a strong likelihood that the stock price and market index will exhibit a positive correlation. Even though the results of the previous

study showed this, there is still no conclusive proof that TNB stock performance will ideally be achieving higher growth and return when compared to the market growth benchmark with KLSE Bursa Malaysia. The academic literature review had a gap due to the lack of a specific focus, which increased the need for this study to go forward and be carried out in order to add relevant findings to support the area of interest within academic study. Furthermore, according to a previous study, investor confidence in stock investments was significantly influenced by changes in market index and stock price that were visible through trading activities on the stock exchange.

Methodology

The primary element of a research study, the research methodology is where the study develops the appropriate methodology to meet its needs. According to the results of the current study, a quantitative study approach had been developed to give the necessary infrastructure for performing data analysis using input in numerical form (Sharela, 2016). The quantitative study aims to provide objective data results that will aid in producing statistical output that will produce more precise results (Apuke, 2017). The quantitative analysis will also develop into a useful methodology tool that will enable the study to increase the scope of the target data study (Sharela, 2016).

According to the current research methodology, the Malaysian stock market, where the KLSE market index will be one of the variables for the quantitative study, will be the target population of the study. Additionally, the research had been concentrated on the TNB stock, with historical stock prices being used for quantitative measurements. Moving on to the target sample for the study, the study had extracted historical data for the KLSE market index and TNB stock price for the past ten years trend, which is from the year 2014 to 2023. This was done to ensure a higher coverage of data and to increase the accuracy of the assessment when analyzing the trend and pattern for the stock return. 2014 (Cooper and Schindler). The secondary data collection method is being used for the current study's data collection process because it only focuses on historical data that is readily accessible online at websites like Yahoo Finance (Sekaran & Bougie, 2016). The collection of secondary data is consistent with the nature of the data used in the current study, where secondary data is also referred to as a more effective method of data collection.

The main element of the study that will propel it toward its conclusions and outcomes is the quantitative data analysis. The quantitative study will put a particular emphasis on reliability analysis development to provide benchmark checking on the data quality (Saunders, Lewis, & Thornhill, 2015). According to Sekaran and Bougie (2016), the benchmark was established in relation to the quantitative data standard, which is set at 70% for the measurement of Cronbach's Alpha. Moving forward, the study will concentrate on the correlation analysis, where the study will concentrate on the Pearson Correlation Coefficient that will provide the interpretation on the strength and significance of the correlation between the two variables between the growth of the KLSE market index and the growth of the TNB stock price (Apuke, 2017). The introduction of regression analysis will help to clarify whether the relationship between the two variables is significant. The comparative analysis will also be essential for this study to comprehend the performance comparison between the TNB stock price and the KLSE market index (Sekaran & Bougie, 2016).

Data Analysis

The Table 1 introduced the descriptive analysis for the quantitative study which is considered as the fundamental for the assessment in the distribution of the quantitative data. Based on the results in Table 1, there is no significant of standard deviation rate being observed which translate to the low risk and reliability of the data. Besides, there is also no abnormality in the assessment for the mean that will reduce the risk of the quantitative data error that could mislead the outcome of the study. This is importance for the study on stock investment as the high fluctuation and variance at times could become an issue to translate the data into the statistical output due to the unexpected circumstances in the uncertainty of the data.

Table 1

Descriptive Analysis

	TNB Stock Price Growth	KLSE Stock Price Growth	TNB Trading Volume Growth	KISE Trading Volume Growth
Mean	0.00224	-0.00185	0.05034	0.03230
Standard Error	0.00441	0.00297	0.03164	0.02607
Median	0.00000	-0.00206	-0.00422	0.01873
Standard Deviation	0.04609	0.03104	0.33031	0.27218
Sample Variance	0.00212	0.00096	0.10911	0.07408
Kurtosis	0.01077	0.53718	o. 72105	0.10408
Skewness	-0.12550	-0.07337	0.63881	0.61230
Range	0.24663	o. 16031	1.70267	1.28139
Minimum	-0.12787	-0.08886	-0.65228	.0.46006
Maximum	0.11876	0.07144	1.05039	0.82133
Sum	0.24414	-0.20211	5.48692	3.52022
Count	**109**	**109**	**109**	**109**

The mean growth of TNB stock price is 0.00224, while the mean growth of KLSE stock price is -0.00185. This means that, on average, TNB stock price grew by 0.224% per day, while KLSE stock price declined by 0.185% per day. The mean growth of TNB trading volume is 0.05034, while the mean growth of KLSE trading volume is 0.03230. This means that, on average, TNB trading volume grew by 5.034% per day, while KLSE trading volume grew by 3.230% per day. The standard deviation of TNB stock price growth is 0.04609, while the standard deviation of KLSE stock price growth is 0.03104. This means that the growth of TNB stock price is more volatile than the growth of KLSE stock price. The standard deviation of TNB trading volume growth is 0.33031, while the standard deviation of KLSE trading volume growth is 0.27218. This means that the growth of TNB trading volume is more volatile than the growth of KLSE trading volume.

Table 2

Correlation Analysis (Trading Volume Growth)

	TNB Trading Volume Growth	KISE Trading Volume Growth
TNB Trading Volume Growth	1	0.54138
KISE Trading Volume Growth	0.54138	1

The Table 2 showed the outcome for the analysis on the correlation between the TNB stock trading volume growth against the KLSE trading volume growth. The measurement of growth provides the higher relevance to explore the correlation between the two variables and thus improving the understanding for the movement of the two variables. With reference to Table 2, it is proven that the trading volume growth shared a moderate strength of positive correlation between TNB stock and KLSE market index. This verified that there is consistency in the pattern for the trading activities between the TNB stock and the Malaysian stock market.

Table 3

Correlation Analysis (Stock Price Growth)

	TNB Trading Volume Growth	KISE Trading Volume Growth
TNB Trading Volume Growth	1	0.60481
KISE Trading Volume Growth	0.60481	1

Moving on to Table 3, the similar logic for the correlation analysis had been carried out to create the visibility to explore the strength of the correlation between the TNB stock price growth against the KLSE market index growth. The output from the correlation analysis identified the similar trend with the trading volume growth where the TNB stock price growth against the KLSE market index growth tend to share moderate strength of positive correlation which proven the consistent positive pattern for both variables. This had concluded that the investment return and investment behaviour shared similar strength of positive correlation within the Malaysian stock market.

Table 4

Regression Statistics

Regression Statistics	
Multiple R	0.604810493
R Square	0.365795733
Adjusted R Square	0.35986859
Standard Error	0.024831263
Observations	109

The Table 4 had been demonstrating the significant of the regression model for the study where the regression analysis is targeted to explore the relationship between the TNB stock price growth as the independent variable against the KLSE market index growth as the dependent variables. The key idea in generating the regression analysis for the current study is to identify the potential significant of the TNB stock performance in contributing towards the Malaysian stock market in overall. The Table 4 had identified that the performance of the TNB stock will likely to explain 36.58% of the output in KLSE market index performance which can be viewed to be relevance for the variables.

Table 5

ANOVA Analysis

	Df	**ss**	**MS**	**F**	**Significance F**
Regression	1	0.03853174	0.38053174	61.71535807	3.29016E-12
Residual	107	0.065975305	0.000616592		
Total	108	0.104028479			

The Table 5 demonstrated the ANOVA analysis which is the part of the regression analysis that is targeted to test for the significant of the regression model. With reference to the p-value for the ANOVA analysis in Table 5, the p-value is observed to be smaller than the tolerance level of 5% which indicates that the regression model is feasible and can be proceeded to test on the existence for the relationship between the TNB stock price growth as the independent variable against the KLSE market index growth as the dependent variables for the current study.

Table 6

Regression Analysis

	Coefficients	**Standard Error**	**T Stat**	**P-value**
Intercept	-0.002766371	0.00238112236	-1.16173711	0.247927169
TNB Stock Price	0.407269675	0.051842442	7.8559123	3.29016E-12

The Table 6 had been providing the final output to identify the coefficients for the regression analysis where the regression model to identify the potential significant in the relationship between the TNB stock price growth as the independent variable against the KLSE market index growth as the dependent variables. The Table 6 had identified that the p-value for the independent variable had been below the benchmark for the tolerance level of 5% which posed as the evidence to suggest the presence of the significant impact towards the dependent variable. With this, it can be concluded that the movement of the TNB stock performance will become the major drive to shift the movement of the market index for KLSE. The equation for the regression analysis can be referenced as below.

$$KLSE = -0.00277 + KLSE (0.40727)$$

$$TNB \quad => TNB \ stock \ price$$

$$KLSE \quad => KLSE \ market \ index$$

Figure 1

Comparative Analysis (TNB vs KLSE)
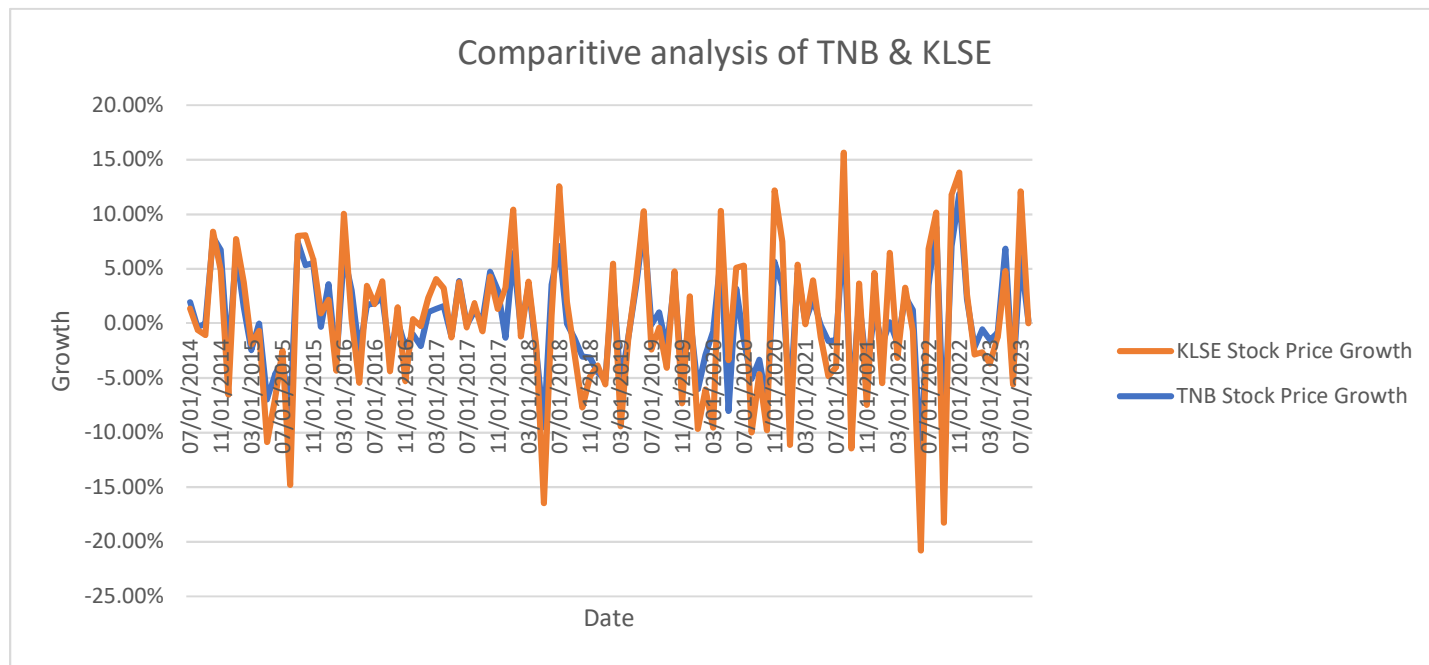
Table 7

Comparative Analysis (TNB vs KLSE)

Date	TNB Stock Price Growth	KLSE Stock Price Growth	Date	TNB Stock Price Growth	KLSE Stock Price Growth
7/1/2014	1.97%	-0.60%	12/1/2015	-0.30%	1.22%
8/1/2014	-0.32%	-0.28%	1/1/2016	3.61%	-1.46%
9/1/2014	0.00%	-1.06%	2/1/2016	-3.53%	-0.78%
10/1/2014	7.92%	0.48%	3/1/2016	6.25%	3.80%
11/1/2014	6.74%	-1.85%	4/1/2016	3.01%	-2.61%
12/1/2014	-3.23%	-3.28%	5/1/2016	-2.65%	-2.79%
1/1/2015	6.59%	1.14%	6/1/2016	1.73%	1.73%
2/1/2015	1.52%	2.24%	7/1/2016	1.84%	-0.05%
3/1/2015	-2.45%	0.53%	8/1/2016	2.36%	1.50%
4/1/2015	0.00%	-0.68%	9/1/2016	-2.85%	-1.52%
5/1/2015	-6.96%	-3.89%	10/1/2016	0.28%	1.20%
6/1/2015	-4.71%	-2.34%	11/1/2016	-2.09%	-3.19%
7/1/2015	-3.48%	0.97%	12/1/2016	-1.00%	1.40%
8/1/2015	-8.36%	-6.41%	1/1/2017	-2.06%	1.82%
9/1/2015	7.51%	0.51%	2/1/2017	1.04%	1.33%
10/1/2015	5.32%	2.76%	3/1/2017	1.33%	2.73%
11/1/2015	5.53%	0.39%	4/1/2017	1.60%	1.61%
			5/1/2017	-1.15%	-0.12%
			6/1/2017	3.88%	-0.12%

7/1/2017	-0.14%	-0.21%	9/1/2020	-3.31%	-1.34%
8/1/2017	1.13%	0.75%	10/1/2020	-7.26%	-2.52%
9/1/2017	0.28%	-0.99%	11/1/2020	5.66%	6.53%
10/1/2017	4.75%	-0.44%	12/1/2020	3.37%	4.13%
11/1/2017	3.07%	-1.72%	1/1/2021	-7.39%	-3.74%
12/1/2017	-1.29%	4.60%	2/1/2021	4.66%	0.72%
1/1/2018	6.45%	3.99%	3/1/2021	0.20%	-0.27%
2/1/2018	-0.51%	-0.66%	4/1/2021	2.16%	1.79%
3/1/2018	3.44%	0.39%	5/1/2021	-0.10%	-1.13%
4/1/2018	-2.46%	0.37%	6/1/2021	-1.61%	-3.22%
5/1/2018	-9.51%	-6.94%	7/1/2021	-1.53%	-2.48%
6/1/2018	3.54%	-2.82%	8/1/2021	8.51%	7.14%
7/1/2018	7.10%	5.48%	9/1/2021	-7.46%	-3.97%
8/1/2018	0.00%	1.98%	10/1/2021	2.06%	1.59%
9/1/2018	-1.40%	-1.46%	11/1/2021	-4.35%	-3.09%
10/1/2018	-3.02%	-4.68%	12/1/2021	1.08%	3.54%
11/1/2018	-3.13%	-1.72%	1/1/2022	-1.93%	-3.53%
12/1/2018	-4.49%	0.64%	2/1/2022	0.11%	6.35%
1/1/2019	-5.15%	-0.42%	3/1/2022	-1.85%	-1.30%
2/1/2019	4.03%	1.44%	4/1/2022	2.45%	0.82%
3/1/2019	-5.66%	-3.75%	5/1/2022	1.22%	-1.90%
4/1/2019	-1.22%	-0.08%	6/1/2022	-12.79%	-8.02%
5/1/2019	3.42%	0.52%	7/1/2022	3.51%	3.32%
6/1/2019	8.98%	1.29%	8/1/2022	8.84%	1.33%
7/1/2019	-0.14%	-2.23%	9/1/2022	-10.46%	-7.77%
8/1/2019	1.01%	-1.39%	10/1/2022	7.09%	4.71%
9/1/2019	-2.29%	-1.75%	11/1/2022	11.88%	1.95%
10/1/2019	3.88%	0.89%	12/1/2022	2.23%	0.45%
11/1/2019	-5.05%	-2.27%	1/1/2023	-2.18%	-0.67%
12/1/2019	0.76%	1.73%	2/1/2023	-0.53%	-2.11%
1/1/2020	-6.03%	-3.63%	3/1/2023	-1.49%	-2.17%
2/1/2020	-2.89%	-3.16%	4/1/2023	-0.83%	-0.47%
3/1/2020	-0.66%	-8.89%	5/1/2023	6.85%	-2.04%
4/1/2020	6.11%	4.21%	6/1/2023	-4.84%	-0.75%
5/1/2020	-8.01%	4.65%	7/1/2023	6.08%	6.01%
6/1/2020	3.20%	1.88%	**Monthly Average**	**0.22%**	**-0.19%**
7/1/2020	-1.55%	6.85%			
8/1/2020	-5.07%	-4.90%			

The figure 1 and table 7 had been showing the comparative analysis data on the TNB stock price growth against the KLSE market index growth to create the visibility on the comparison of the data. The output from the

Title: **The Relevance and Performance of TNB Stock: A Comparison to the Malaysian Stock Market**

Table 7 had been identified that the TNB stock price growth showed a more favourable measurement against the KLSE market index growth. This had created the evidence to address the higher performance for the TNB stock over the average benchmark within the Malaysian stock market. To the surprise in the findings, the average KLSE market return had been showing negative return which indicate that the overall Malaysia stock performance not only performance below the average of TNB stock return but also performing below par creating negative return for the investment.

Figure 1

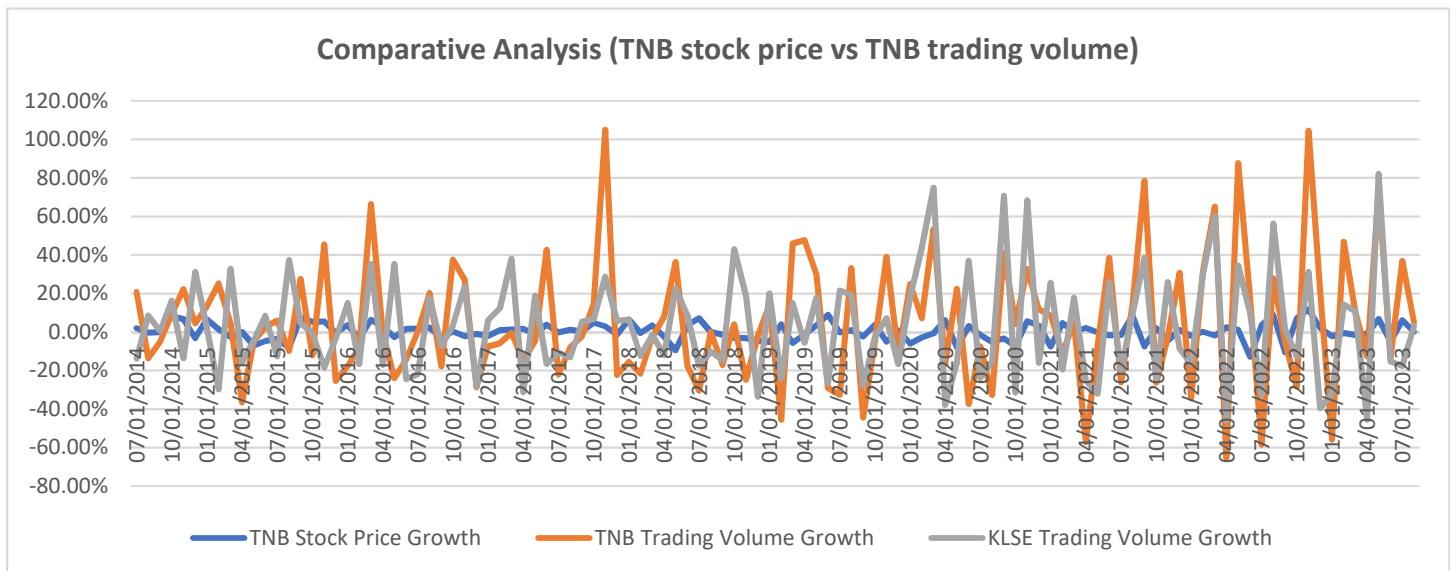*Comparative Analysis (TNB stock price vs TNB trading volume)*

Comparative Analysis (TNB stock price vs TNB trading volume)

Table 8

Comparative Analysis (TNB stock price vs TNB trading volume)

Date	TNB Stock Price Growth	TNB Trading Volume Growth	KLSE Trading Volume Growth	Date	TNB Stock Price Growth	TNB Trading Volume Growth	KLSE Trading Volume Growth
7/1/2014	1.97%	20.85%	-13.86%	5/1/2015	-6.96%	-4.84%	-4.27%
8/1/2014	-0.32%	-13.69%	8.63%	6/1/2015	-4.71%	2.59%	8.44%
9/1/2014	0.00%	-5.02%	0.43%	7/1/2015	-3.48%	6.02%	-12.61%
10/1/2014	7.92%	9.18%	16.25%	8/1/2015	-8.36%	-9.72%	37.46%
11/1/2014	6.74%	22.21%	-13.68%	9/1/2015	7.51%	27.52%	4.52%
12/1/2014	-3.23%	4.51%	31.29%	10/1/2015	5.32%	-12.09%	-0.47%
1/1/2015	6.59%	13.28%	2.10%	11/1/2015	5.53%	45.59%	-18.42%
2/1/2015	1.52%	25.23%	-29.66%	12/1/2015	-0.30%	-25.36%	-3.24%
3/1/2015	-2.45%	4.83%	32.90%	1/1/2016	3.61%	-17.59%	15.08%
4/1/2015	0.00%	-36.50%	-15.75%	2/1/2016	-3.53%	-8.11%	-16.66%
				3/1/2016	6.25%	66.40%	35.33%
				4/1/2016	3.01%	-0.92%	-17.12%
				5/1/2016	-2.65%	-23.96%	35.39%
				6/1/2016	1.73%	-14.34%	-24.37%

Date				Date			
7/1/2016	1.84%	0.11%	-21.95%	11/1/2019	-5.05%	39.00%	7.07%
8/1/2016	2.36%	20.20%	17.62%	12/1/2019	0.76%	-12.17%	-16.55%
9/1/2016	-2.85%	-17.74%	-7.25%	1/1/2020	-6.03%	24.98%	18.30%
10/1/2016	0.28%	37.49%	3.38%	2/1/2020	-2.89%	7.11%	43.52%
11/1/2016	-2.09%	27.09%	23.65%	3/1/2020	-0.66%	53.32%	74.97%
12/1/2016	-1.00%	-28.75%	-28.31%	4/1/2020	6.11%	-16.82%	-37.83%
1/1/2017	-2.06%	-7.43%	6.10%	5/1/2020	-8.01%	22.39%	-15.80%
2/1/2017	1.04%	-5.77%	12.39%	6/1/2020	3.20%	-37.42%	37.02%
3/1/2017	1.33%	-0.42%	38.12%	7/1/2020	-1.55%	-7.47%	-23.94%
4/1/2017	1.60%	-14.95%	-31.29%	8/1/2020	-5.07%	-32.79%	-15.62%
5/1/2017	-1.15%	-4.56%	19.01%	9/1/2020	-3.31%	41.17%	70.70%
6/1/2017	3.88%	42.73%	-16.65%	10/1/2020	-7.26%	4.10%	-31.42%
7/1/2017	-0.14%	-22.05%	-10.68%	11/1/2020	5.66%	32.76%	68.39%
8/1/2017	1.13%	-7.88%	-13.18%	12/1/2020	3.37%	11.83%	-15.88%
9/1/2017	0.28%	-2.40%	5.28%	1/1/2021	-7.39%	8.41%	25.55%
10/1/2017	4.75%	14.84%	6.83%	2/1/2021	4.66%	-10.62%	-19.38%
11/1/2017	3.07%	105.04%	28.77%	3/1/2021	0.20%	4.58%	17.86%
12/1/2017	-1.29%	-22.23%	5.79%	4/1/2021	2.16%	-57.14%	-25.27%
1/1/2018	6.45%	-15.52%	6.52%	5/1/2021	-0.10%	-6.87%	-32.01%
2/1/2018	-0.51%	-21.65%	-12.38%	6/1/2021	-1.61%	38.51%	25.96%
3/1/2018	3.44%	-2.58%	-1.56%	7/1/2021	-1.53%	-26.10%	-19.89%
4/1/2018	-2.46%	8.04%	-11.90%	8/1/2021	8.51%	14.50%	9.67%
5/1/2018	-9.51%	36.40%	22.58%	9/1/2021	-7.46%	78.56%	38.58%
6/1/2018	3.54%	-17.82%	8.67%	10/1/2021	2.06%	-26.25%	-24.10%
7/1/2018	7.10%	-30.45%	-17.38%	11/1/2021	-4.35%	-2.47%	26.00%
8/1/2018	0.00%	0.05%	-10.08%	12/1/2021	1.08%	30.73%	-8.63%
9/1/2018	-1.40%	-17.04%	-14.69%	1/1/2022	-1.93%	-34.43%	-16.67%
10/1/2018	-3.02%	3.98%	43.11%	2/1/2022	0.11%	31.98%	30.34%
11/1/2018	-3.13%	-24.73%	18.84%	3/1/2022	-1.85%	65.11%	60.21%
12/1/2018	-4.49%	-2.02%	-33.62%	4/1/2022	2.45%	-65.23%	-46.01%
1/1/2019	-5.15%	14.00%	20.16%	5/1/2022	1.22%	87.71%	34.52%
2/1/2019	4.03%	-45.57%	-24.22%	6/1/2022	-12.79%	17.74%	10.28%
3/1/2019	-5.66%	46.03%	15.10%	7/1/2022	3.51%	-58.46%	-32.49%
4/1/2019	-1.22%	47.62%	-5.55%	8/1/2022	8.84%	27.98%	56.37%
5/1/2019	3.42%	29.90%	17.88%	9/1/2022	-10.46%	-4.74%	1.87%
6/1/2019	8.98%	-29.01%	-26.50%	10/1/2022	7.09%	-28.45%	-12.72%
7/1/2019	-0.14%	-32.57%	21.66%	11/1/2022	11.88%	104.48%	31.16%
8/1/2019	1.01%	33.30%	19.25%	12/1/2022	2.23%	21.66%	-39.51%
9/1/2019	-2.29%	-44.40%	-27.73%	1/1/2023	-2.18%	-55.87%	-32.24%
10/1/2019	3.88%	-4.51%	-2.68%	2/1/2023	-0.53%	46.79%	14.34%

Title: **The Relevance and Performance of TNB Stock: A Comparison to the Malaysian Stock Market**

3/1/2023	-1.49%	10.53%	10.73%	7/1/2023	6.08%	36.93%	-17.57%
4/1/2023	-0.83%	-12.65%	-45.49%	**Monthly Average**	0.22%	5.03%	3.23%
5/1/2023	6.85%	74.03%	82.13%				
6/1/2023	-4.84%	-13.08%	-15.32%				

The Table 8 is showing the output for the comparative analysis for the comparison between the growth of the TNB stock price against the growth of the trading volume for the TNB stock. The trading volume trend and pattern significant represent the confidence level of the investors by understanding the level of trading activities for the particular stock. As mentioned previously in the literature review, it is defined that the high trading volume will provide the impression to reflect the high confidence of the investors to invest in the stock. With reference to the results in Table 8, the trading volume growth for the TNB stock had been observed to be significantly higher at 5.05% which is far above the actual stock price growth for TNB stock in the monthly average at only 0.22%. In comparison with the trading volume growth against the KLSE stock market, the TNB trading volume still observed the higher growth over the average Malaysian stock market which indicate the higher confidence and preference among the investors to invest in the TNB stock. Therefore, the outcome had showed the evidence to identify the stronger growth of the investors' confidence towards the TNB stock over time.

Discussion on Findings

The findings for the current study had been showing positive evidence to suggest the similar findings based on the previous study which indicate the lack of discrepancies and disagreement from the literature review. These similar expectations and understanding for the investors had been proven through this research through the quantitative analysis and the comparative analysis that provide solid evidence to identify the significant higher stock performance of TNB over the market index performance of KLSE representing the whole Malaysian stock market. This could be contributed with the reasoning of the business nature of TNB being the monopoly industry in Malaysia leveraging the advantage in the stock performance.

Based on the outcome of study, there is no much significant differences in the standard deviation which suggest the risk being reflected into both the TNB stock and the KLSE market index. Therefore, the difference in return is not likely to be expected in the quantitative study. As a result, the average return for both TNB stock and KLSE market index had been very close which is aligned with the concept of the risk and return. This creates the suggestion that the diversification strategy through the portfolio management failed to show the significant advantage in creating higher return for the investors. The higher return being achieved by TNB stocks had create the expectations where the big players in the market still conquer the favourable investment return over the combination of the different industries.

In addition, the regression analysis had identified the significant positive relationship between the TNB stock price return against the KLSE market index return which serve as the supporting to influence the movement of the KLSE market index from the TNB stock performance. In other words, the TNB stock performance had

become the significant driver among the stocks within the Malaysian stock market creating the higher impact towards the movement of the KLSE market index. In other words, the performance of KLSE market index had been depending on the movement and contribution of the movement of the TNB stock price which translate to represent the significant representation of the TNB stock within the Malaysian stock market.

Moving on, the comparative analysis had created the visibility to identify the higher performance of TNB stock return over the average KLSE market index return. The additional observation had included the fact where the average return for the KLSE market index return had been negative return suggesting the loss in investment value for the Malaysian stock market. This could be supported by the potential address of the recent economic recession plus the pandemic situation that occurred back in 2020 which likely to drag down the overall stock market performance in Malaysia. This will create the suggestion on the strength of the TNB business as the monopoly win the utilities industry signaling no evidence of the slowing down in the TNB stock prices being consistence generating positive return on the stock investment outperform the average market performance.

Conclusion

Based on the outcome for the current study, the objective of the study had been achieved to investigate the research questions as addressed from the initial stage of the study. The research question on "What is the TNB stock performance against the KLSE market index benchmark in Malaysian stock market?" had been proven with both the correlation analysis and comparative analysis to indicate the presence of the consistent higher performance for the TNB stock return in comparison towards the market return in KLSE market index. In addition, the negative return obtained through the average KLSE market index return had extended the evidence in the quantitative analysis to identify that the TNB stock performance is more proof towards the economic recession and uncertainty which manage to stay afloat at positive return compared to the overall performance in the stock market.

Moving on to the second research question on the "What is the comparison of the investors' confidence level for TNB stocks within the Malaysian stock market?" which is motivated to explore the confidence level from the perspective of the investors towards the TNB stock performance. The quantitative findings had understood that the confidence level for the TNB stock had been positive sharing the positive strength of correlation with the growth of the stock. The comparative analysis had provided the clear picture on the output showing the sufficient evidence to pose the higher investors' confidence towards the TNB stock over the average benchmark for the KLSE market index. This is crucial to identify the trading volume growth as an indicator to determine the investor's confidence to invest in the stock where the average growth for the trading volume had exceeded the benchmark for the KLSE market index. Trading volume growth. Besides, the growth of the trading volume for TNB stock had exceeded the average growth for the stock return indicating that the investors are far more optimistic towards the growth of the TNB stock in the future. This had become evidence where the TNB stock had been well performing as the monopoly

Suggestion for future research

The current study had definitely provided significant contribution to the academic where the study had found new knowledge from the outcome of the study. However, the outcome for the current study does not mark

the end of the exploration in the academia research study. The findings and results from the research had extended the potential to further the research into different exploration for the topic of interest. Firstly, the study had been studying the performance of the TNB stock where the TNB stock is being deemed as the high performing stock but did not suggest the similar understanding towards other monopoly stock like Genting stock. Therefore, the future research can be extended to study another monopoly stock to verify the feasibility of the current theory being developed from this study.

Besides, the current study had provided the specific focus on the TNB stock performance against the benchmark on the KLSE market index performance. The future study can be extended to explore the specific uprising industry like the technology industry to explore and understand the trend for the stock performance within the industry. This will reduce the gap in the knowledge to address investment strategy to speculative stocks which could potentially assist the investors to achieve greater return. With the growing technology companies within the public listed companies, the future study can consider to further deep dive into this comparison.

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