

"INTEREST RATE AND INDUSTRY PERFORMANCE:EMPIRICAL  
EVIDENCE FROM KARACHI STOCK EXCHANGE"



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**INTEREST RATE AND INDUSTRY PERFORMANCE:  
EMPIRICAL EVIDENCE FROM KARACHI STOCK  
EXCHANGE**



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**THESIS**

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## DEDICATION

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This project is dedicated to our parents who taught us that the best kind of knowledge to have is that which is learned for its own sake and who guided us that even the largest task can be accomplished if it is done one step at a time. We have been able to complete this project with their unconditional support and moral encouragement that guided us in even the most difficult of times when we felt isolated.

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## ABSTRACT

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The aim of the research is to investigate the impact of the interest rate on the industry performance in Pakistan. The study provides empirical results that have been yielded using different kinds of statistical tools in order to yield those results and provide sufficient supporting material for our results. The prime reason and objective that this research serves is to use the KSE floor as a standard of the Pakistani industry, and then use the results from this study to apply them onto the specific selected industries used in this study for the purpose of the analysis. Study has been conducted on the secondary data related to the interest rate which acts as an independent variable in this study. Furthermore, the Return on Assets data of the companies listed on KSE has been used for the analysis purposes. The three industries selected for the purpose of this analysis are: Industrial Engineering, Oil and Gas Producers, Industrial Metals and Mining. The results show that interest rate has a significant impact on the industry performance in Pakistan. The analysis conducted and results presentation has been done separately according to different industries. There is a uniformity seen in the results, i.e. all the industries are almost equally affected by the interest changes and in the same manner as well. The implications of this research are practically useable, i.e. their implications and results can be applied to the practical world Interest Rate, KSE and industry performance in Pakistan.