ABSTRACT

DETERMINANTS ANALYSIS OF CURRENT ACCOUNT IN INDONESIA PERIOD 2007:T1-2014: T4

By

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This study aims to determine the effect of exchange rate(KURS), inflation(INF), Gross Domestic Product(PDB), and net foreign assets(ALN) to current account (CA) in Indonesia period 2007: T1-2014: T4. The method used in this study is the Error Correction Model(ECM). The data used is secondary data during 2007: T1-2014: T4.

The results showed that KURS and ALN positive and significant to the CA. Meanwhile, INF and GDP negative effect but not significant to CA.

Keywords: Current Account (CA), Exchange Rate(KURS), Inflation(INF), Gross Domestic Product(PDB), Net Foreign Assets(ALN), and Error Correction Model(ECM).