ANALYSIS OF INFLUENCE FACTORS OF DOMESTIC AND FOREIGN FACTORS MOVEMENT OF THE JOINT STOCK PRICE INDEX

By

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ABSTRACT

This study describes the influence of domestic and abroad factors to JCI, domestic factors are variable inflation rate, interest rate BI Rate and Amount of money supply (M2) while for overseas factors, namely the Dow Jones Industrial average, oil (WTI) and gold (GOLD). Analyzer used in this research is multiple regression with Ordinary Least Square method, as for the analytical method of calculation used to error correction model (ECM) with a research period January 2007 to June 2014. Based on the results of Ordinary Least Squares regression, can partially known that domestic factors are the variable BI rate (RBI), inflation (INF) and m2 had a negative impact on the JCI while on overseas factors DJIA, WTI and GOLD provide statistically positive influence on JCI.

Based on the estimation results of this study can be seen that jointly and significant factors in the country of which the M2 variable, while the BI rate (RBI) and inflation (INF) did not significantly affect the JCI movement. While on factors from abroad, namely in the DJIA variable, WTI and GOLD significant effect on JCI.

Keywords: The money supply (M2), BI Rate, Inflation, Dow Jones Industrial Average (DJIA), World Oil (WTI), the World Gold (GOLD) Ordinary Least Squares (OLS), Error correction model (ECM).