

## **ABSTRACT**

### **ANALYSIS OF FACTORS AFFECTING THE FOREIGN EXCHANGE RESERVES IN INDONESIA PERIOD 2000:Q1-2014:Q4**

**By**

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*This study aims to determine the effect of the exchange rate ( RATE ), Gross Domestic Product ( GDP ), the BI Rate ( BIR ), and inflation ( INF ) on foreign exchange reserves ( CD ) in Indonesia during the period 2000 : Q1 - 2014 : Q4 . The method used in this study is an Error Correction Model ( ECM ) . The data used is secondary data during the period 2000 : Q1 - 2014 : Q4 .*

*Results showed that the GDP EXCHANGE and significant positive effect on CD in Indonesia with a 95% confidence level and inflation significant negative effect with 90 % confidence level . While the variable BI Rate positive effect but not significant.*

*Keywords : Foreign Exchange Reserves ( CD ), Exchange Rate ( RATE ), Gross Domestic Product ( GDP ), the BI Rate ( BIR ), Inflation ( INF ) and Error Correction Model ( ECM ) .*