ABSTRACT

Analysis of foreign exchange rates with the *Box-Jenkins* approach *(Arima), the Exponential Smoothing, The Winters, The Add-Winters* and *the Stepar Method*

(A case study of Rp / S$, the period of 2003.01-2008.12)

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Globalization is increasingly widespread in all sectors pushing higher and higher rate of growth. The rate at which growing economic sector, especially in the field of trade between countries can not be dammed again, this is seen from free trade that has been on the run in 2010. Competition is so tight in the field of trade to economic selection between countries that compete in global markets. The exchange rates have an important role in economic globalization is a highlight authors to see whether economic variables that have a close relationship with the exchange rate so vulnerable affected by economic variables as well as non-economic variables and predicting exchange rates so volatile a few periods ahead.

The purpose of this study is to determine how the influence of the difference of M2, the difference in GDP, difference interest rates, foreign inflation and balance of payments is the difference between Indonesia and Singapore to exchange Rp/S $. Economic models and econometric models used in this study is the model of Frenkel-Bilson, Hooper-Morton model and the Dornbusch-Frenkel model. The data used is data processed in the form of monthly data by using the procedure *expand* the period 2003.01-2008.12.. In this study, all data were tested with the unit root test and classical assumption. Models estimated using *OLS (Ordinary Least Square). The* method of forecasting using *Box-Jenkins (Arima), the Exponential Smoothing, The Winters, The Add-Winters* and *the Stepar Method.*

The analysis shows the correlation between dependent variable exchange rate of Rp/S$ with predictor variables, both positive and negative. While partially only difference between GDP and the difference in interest rates that influence the exchange rate Rp/S$. Based on the results of the prediction by the five methods showed that the prediction using *the Stepar* most appropriate *method* to forecast the exchange rate of Rp/S$ 2003.01-2008.12 period with the smallest deviation value compared to four other forecasting methods.

JEL; F31, F41 E51, E40, E59

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