

***INFLUENCE DERIVATIF INSTRUMEN FOR HEDGING POLICY  
THROUGH INTERVENING VARIABLES  
FOREIGN EXCHANGE EXPOSURE***

*(Studies in LQ45 Companies Listed on the Stock Exchange Period 2010 to 2014 )*

*BY*

***SUPRIYANTO***

***ABSTRACT***

*This study aims to determine the presence or absence of the influence of Derivative Instruments, Foreign Exchange Exposure and Hedging Policy at the company. Independent variable (X) is the research Derivatives Instruments and Foreign Exchange Exposure, while the dependent variable (Y) is the Hedging Policy.*

*Population of the study is LQ45 firms listed on the Indonesia Stock Exchange with the observation period 2010-2014. This study uses PLS technique. Variables used in this study were Derivatives Instruments and Foreign Exchange Exposure.*

*The test results using Structural Equation Modeling, showed results that significantly influence the Derivative Instruments Foreign Exchange Exposure, Foreign Exchange Exposure significant effect on Derivative Instruments and Hedging Policy significant effect on Hedging Policy.*

*Keywords: Financial Risk Management, Derivative Instruments, Foreign Exchange Exposure, Hedging Policy*