ABSTRACT

EFFECT ANALYSIS OF THE USE OF PAYMENT CARD (APMK) AND ELECTRONIC MONEY (E-MONEY) TO THE DEMAND FOR CURRENCY IN INDONESIA (2008:01-2013:12)

By

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This study aims to analyze the influence of variables of non-cash payment transactions using APMK (credit cards, ATM cards, debit cards) and electronic money (e-money) against the demand for currency in Indonesia in the short and long run. In this study, the use of APMK and e-money are reflected on the volume of transactions created by the use of credit cards, ATM cards, debit cards and e-money. Model used the tool of Error Correction Model (ECM) of econometrical analysis. This model can explain the behavior of short and long run. The results showed that non-cash payment transactions using APMK (credit cards, ATM cards, debit cards) have negative and significant impact in the short and long run on the demand for currency in Indonesia. Meanwhile, non-cash payment transactions using electronic money (e-money) has positive and significant impact on the demand for currency in Indonesia in the short and long run.

Keywords: Demand for Currency, APMK, Credit Card, ATM Card, Debit Card, E-Money, Error Correction Model (ECM).