

ABSTRACT

THE COMPARISON OF OPEN POSITION AND HEDGING TECHNIQUES USAGE IN ASSESSING DEBT IMPORT AVERAGE (Study on manufacturing companies listed in Indonesia Stock Exchange 2011-2013)

By

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This study aimed to determine the difference in the usages of open positions and hedging techniques (forward contracts hedging, money market hedging and currency option hedging) in assessing import debt average on manufacture companies listed in Indonesia Stock Exchange 2011-2013 and find out which of the four methods is the most efficient one in assessing the import debt. Data used in this research is secondary data taken from IDX and Bank Indonesia. The data analysis technique used is paired sample t-test. The samples of this research consist of 18 manufacture companies which fulfill sample criteria to analyze, which determined by purposive sample method. The results showed that there was significant difference in import debt between open position and forward contract hedging, there was significant difference in import debt between open position and money market hedging, and there was significant difference in import debt between open position and currency option hedging. Of the four methods, forward contracts hedging was the most efficient one in assessing the import debt average.

Keywords: Hedging Techniques, Open Position, Forward Hedging Contract, Money Market Hedging, Currency Option