

ABSTRACT

Sanitawati, Zulvani. 2012. Thesis. Title: "The Analysis of the Influence of Exchange Rate, Inflation, Interest Rates, Economic Growth and Indonesia Crude Oil Price on Mining Stock Price Index (Observation Period 2007 - 2012)"

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Keywords : Exchange Rate, Inflation, Interest Rates, Economic Growth, Indonesia Crude Oil Price, Mining Stock Price Index

Monetary instability was reflected by the fluctuative exchange rates, inflation, interest rates, economic growth, and Indonesia crude price (ICP) can cause various effects on the economy widely including on the capital market. The capital market has its performance measurement that is the stock price index. According to Siegel (1991) in Tandelilin (2010: 341) there is a strong bond between stock prices and macro-economic performance. The purpose of this study was to analyze the influence of the exchange rate, inflation, interest rates, economic growth, and Indonesia crude price on the mining sector stock price index.

The method of analysis used in this study is the multiple regression analysis method with the classical assumption test conditions. The hypothesis test in this study includes the F test, t test, and dominance test. The research data is a monthly secondary data obtained by the method of data documentation from January 2007 until September 2012.

The result shows that the value of F count equal to 62.953 and Sig. 0.0000 is smaller than α 0.05. Therefore, the independent variable in this study simultaneously has significant effect on the dependent variable. T test result indicates that the exchange rate, interest rates, and the economic growth (GDP) have significant negative effect on the mining sector stock price index with beta of exchange rate - 0.868; interest rate -2.531; GDP -3.259. Exchange rates, interest rates, GDP had partially Sig. <0.05. Inflation and Indonesia crude price gives positive effect on the mining sector stock price index with beta of the inflation 0.301 and Indonesia crude oil price (ICP) 0.889. Inflation and ICP partially has Sig. <0.05. The independent variables which have dominant effect on the dependent variable are the ICP and exchange rate. The ICP and exchange rate demonstrate acquisition accounted for 68.72 percent and 50.13 percent, respectively. The implication of the research for companies and stakeholders involved in the mining sector is to always look over changes and movements of exchange rate, inflation, interest rates, gross domestic produk, and Indonesia crude oil price to achieve right managerial and investment decisions. In addition, the Indonesia crude price and the exchange rate have the most dominant influence on the change of the mining sector stock price index.