

**Analysis Effect of Exchange Rate And The Interest Rate of SBI Against Composite Stock
Price Index (IHSG) In Companies Listed On The Stock Exchange Year
Period 2006 – 2010**

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ABSTRACT

This study analyzed the influence of macro variables that affect the Composite Stock Price Index in Indonesia Stock Exchange in the period 2006 to 2010. Macro variables used in this study is the Exchange Rate Rp/US\$ and the Interest Rate SBI year period from 2006 to 2010. The purpose of this study was to determine the effect of independent variables on the stock price index in Indonesia Stock Exchange in the period 2006 to 2010.

Composite Stock Price Index (IHSG) is a reflection of capital market activities in general. IHSG showed an increase in market conditions are bullish, on the contrary if the decline shows capital market conditions are bearish. In conducting the analysis, researchers used a model of multiple linear regression equation with the smallest linear equations, which aims to influence the independent variables that are used against the dependent variable.

The results showed that the Exchange Rate Rp/US\$ and the interest rate of SBI are jointly affect Composite Stock Price Index on the companies listed in Indonesia Stock Exchange in the period 2006 -2010 with a significance value of 0.000. The results also showed partially contained significant influence among Exchange Rates Euro / USD and the Interest Rate SBI in IDX-year period 2006 - 2010, with α of 5%. We hope this research can be useful for investors, companies / issuers, governments as well as for further research.

Keywords: Exchange Rate , Interest Rates SBI, Composite Stock Price Index