

ABSTRACT

This study aimed to analyze the factors that influence foreign investors in Indonesia Stock Exchange (BEI). These factors are the condition of the stock and foreign exchange, and inflation in the country where to invest.

Related variables in this research is data exchange, inflation, liquidity of the stock, and the monthly stock index data Bapepam. Research variables used with monthly data taken from 2005 to 2009 period.

The analytical method used is multiple linear regression method. The results of this study is the stock exchange and the conditions, namely: liquidity and stock market index has a positive significant influence on investment shares in BEI. While inflation has insignificant effect on stock investment in BEI. Together variable market index, market liquidity, exchange rate and inflation are statistically affect investment in BEI.

Keyword : influence, exchange conditions, exchange rates , inflation, linier regression