

**The Effect of Inflation, Exchange Rate and Foreign  
Ownership On Jakarta Islamic Index Volatility 2021-2024**



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**DEPARTMENT OF ISLAMIC ECONOMICS**

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**UNIVERSITY OF DARUSSALAM GONTOR**

**2024 M/1446 H**

# **The Effect of Inflation, Exchange Rate and Foreign Ownership On Jakarta Islamic Index Volatility 2021-2024**

UNDERGRADUATE THESIS Submitted in fulfillment of the requirement for  
the degree of Bachelor of Economics (Islamic Economics)

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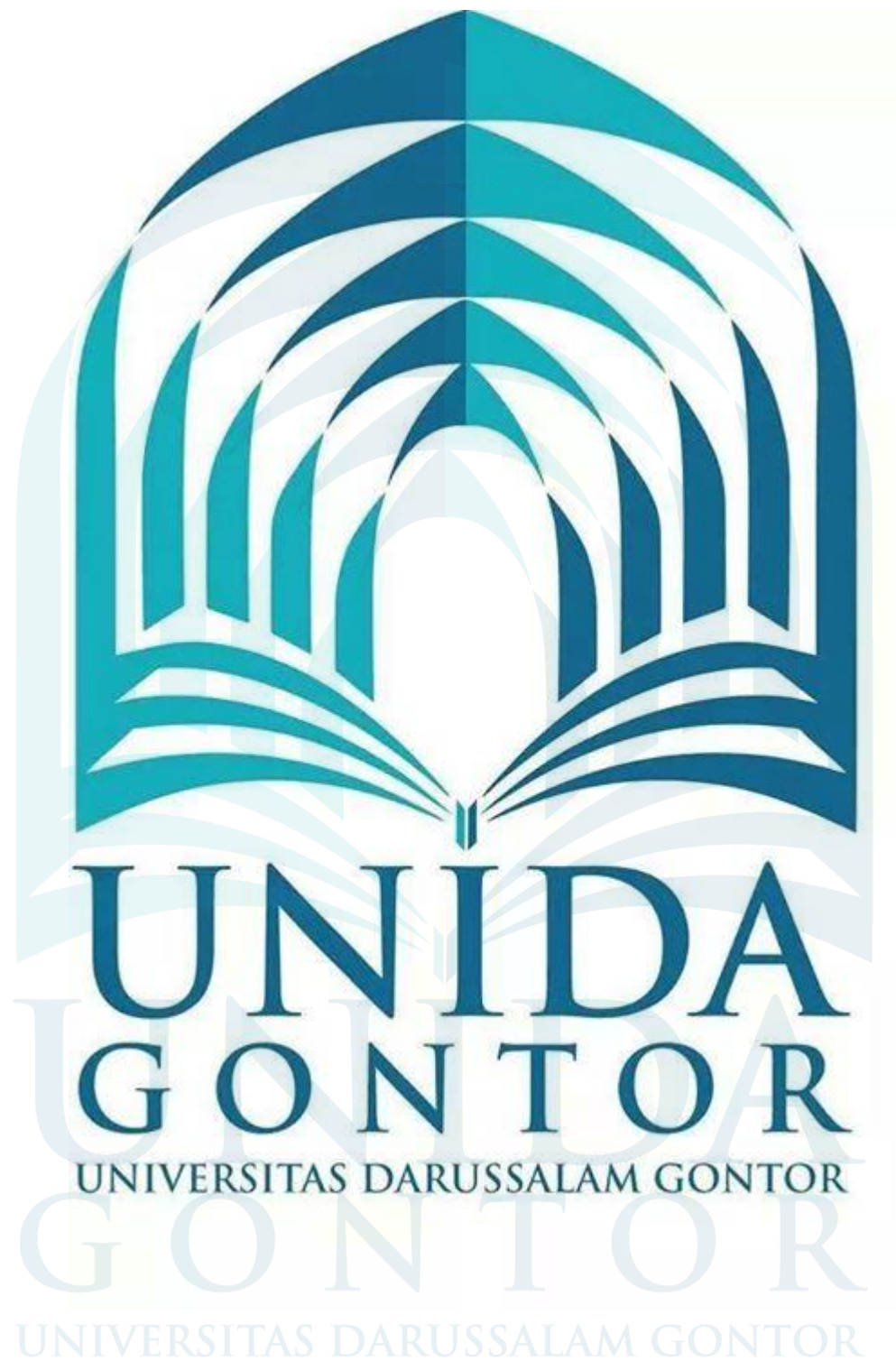
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## **ABSTRAK**

Pasar modal syariah Indonesia terus mengalami peningkatan sejak kemunculannya. Peluncuran JII tidak hanya menandai lahirnya instrumen syariah pertama di Indonesia, tetapi juga memfasilitasi investor yang ingin berinvestasi sesuai prinsip syariah. Penelitian ini bertujuan untuk mengetahui seberapa pengaruh Inflasi, Nilai Tukar dan Kepemilikan Asing terhadap pergerakan Jakarta Islamic index. Metode yang digunakan dalam penelitian ini adalah metode kuantitatif menggunakan pendekatan *Vector Error Correction Model* (VECM) dan menggunakan alat uji Eviews 12. Data yang digunakan dalam penelitian ini menggunakan data sekunder dengan data time series dari periode Oktober 2021 sampai September 2024, yang mana *Jakarta Islamic Index* dijadikan sebagai variable dependen sedangkan Inflasi, Nilai Tukar dan Kepemilikan Asing menjadi variable Independen. Berdasarkan kajian teori maka hipotesis dalam penelitian ini yaitu: H1: Tingkat inflasi berpengaruh negative terhadap pergerakan Jakarta Islamic Index, H2: Kurs berpengaruh negative terhadap pergerakan Jakarta Islamic Index, H3: Kepemilikan efek asing berpengaruh positif terhadap Jakarta Islamic Index. Adapun hasil dari penelitian ini adalah dalam jangka panjang Inflasi memiliki pengaruh negatif dan signifikan terhadap *Jakarta Islamic Index* sedangkan Nilai Tukar memiliki pengaruh positif dan tidak signifikan dalam jangka panjang terhadap variable *Jakarta Islamic Index* sedangkan Kepemilikan Asing memiliki pengaruh positif dan signifikan dalam jangka panjang terhadap *Jakarta Islamic Index*.

**Kata Kunci:** Makroekonomi, *Vector Error Correction Model*, Pasar Modal, Nilai Tukar.

# **The Effect of Inflation, Exchange Rate and Foreign Ownership On Jakarta Islamic Index Volatility 2021-2024**

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## **ABSTRACT**

Indonesia's Islamic capital market has been on the rise since its inception. The launch of the JII not only marks the birth of the first sharia instrument in Indonesia, but also facilitates investors who want to invest according to sharia principles. This study aims to determine how the influence of Inflation, Exchange Rate and Foreign Ownership on the movement of the Jakarta Islamic index. The method used in this research is a quantitative method using the Vector Error Correction Model (VECM) approach and using the Eviews 12 test tool. The data used in this study uses secondary data with time series data from the period October 2021 to September 2024, where the Jakarta Islamic Index is used as the dependent variable while Inflation, Exchange Rate and Foreign Ownership are the Independent variables. Based on the theoretical study, the hypotheses in this study are: H1: The inflation rate has a negative effect on the movement of the Jakarta Islamic Index, H2: The exchange rate has a negative effect on the movement of the Jakarta Islamic Index, H3: Foreign securities ownership has a positive effect on the Jakarta Islamic Index. The results of this study are in the long term Inflation has a negative and significant effect on the Jakarta Islamic Index while the Exchange Rate has a positive and insignificant effect in the long term on the Jakarta Islamic Index variable while Foreign Ownership has a positive and significant effect in the long term on the Jakarta Islamic Index.

**Keywords:** *Macroeconomics, Vector Error Correction Model, Capital Market, Exchange Rate.*

## DECLARATION



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#### DECLARATION

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I hereby declare that this undergraduate thesis is the result of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at University of Darussalam Gontor or other institutions.

Ponorogo, Jumadil Awal 23<sup>rd</sup>, 1446 H  
April 24th, 2024

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## APPROVAL OF SUPRVISOR

To Honorable,

**Dean of Faculty of Economics and Management University of Darussalam Gontor**

*Bismillahirrahmanirrahim,*

*Assalamu'alaikum Wr. Wb.*

I certify that I have supervised and read this thesis, written by:

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Title : The Effect of Inflation, Exchange Rate and Foreign Ownership On Jakarta Islamic Index Volatility 2021-2024

In my opinion, it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as an undergraduate thesis for the degree of Bachelor of Islamic Economics Department.

*Wassalamu 'alaikum Wr. Wb.*

Ponorogo, Jumadil Awal 23<sup>rd</sup>, 1446 H

November 25th, 2024

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## THESIS EXAMINATION COMMITTEE APPROVAL



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The examination committee declared that the thesis written by:

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It has passed to thesis examination and it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as an undergraduate thesis for the degree of Bachelor in Department of Islamic Economics, Faculty of Economics and Management, University of Darussalam Gontor.

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UNIVERSITAS DARUSSALAM GONTOR



## APPROVAL OF DEAN



### Faculty of Economics and Management

كلية الاقتصاد والإدارة

#### APPROVAL OF DEAN

*Bismillahirrahmanirrahim,*

*Assalamu'alaikum Wr. Wb.*

The Faculty of Economics and Management University of Darussalam Gontor has accepted the thesis written by :

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It is approved as a fulfill of the requirement for the degree of Bachelor of Economics (Islamic Economics), academic year 1445-1446 H / 2024-2025.

*Wassalamu'alaikum Wr, Wb.*

Ponorogo, Rajab 16<sup>th</sup>, 1446 H  
January 16<sup>th</sup>, 2025

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## MOTTOES

وَهُوَ الْعَفُورُ الْوَدُودُ

*He is the Most Forgiving, the Most Merciful*

وَاسْتَعِينُوا بِالصَّبْرِ وَالصَّلَاةِ إِنَّهَا لَكَبِيرَةٌ إِلَّا عَلَى الْخَاشِعِينَ

Seek help (from Allah) through patience and prayer. Indeed, it is truly difficult,  
except for those who are humble

فَإِنَّ مَعَ الْعُسْرِ يُسْرًا

So, indeed, with hardship comes ease.

إِنَّ اللَّهَ لَا يُغَيِّرُ مَا بِقَوْمٍ حَتَّى يُغَيِّرُوا مَا بِأَنْفُسِهِمْ

Indeed, Allah does not change the condition of a people until they change what is  
within themselves.

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3 Rabiul Akhir, 1446 H

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