

ABSTRACT

This study aims to analyze the influence of macroeconomic and political variables on stock prices. The macroeconomic variables studied include inflation, USD/IDR exchange rate, and BI Rate. Meanwhile, political variables are represented by dummy variables that reflect the announcement of the results of presidential elections in Indonesia in 2004, 2009, 2014, 2019, and 2024, as well as changes in political regimes in Indonesia. This study focuses on the Jakarta Composite Index (JCI) on the Indonesia Stock Exchange during the period 2004 to 2024. The analysis method used is timeseries data analysis with the Partial Adjustment Model (PAM) approach. The data used includes secondary data, including historical price records on the Indonesia Stock Exchange, as well as macroeconomic data obtained from Bank Indonesia.

The results show that inflation, the announcement of presidential election results in 2014, 2019, and 2024, as well as political regime change in 2014 and 2024, have a positive and significant influence on the JCI. In contrast, the BI Rate shows a negative and significant influence on the composite stock price index. Meanwhile, the USD/IDR exchange rate, the announcement of presidential election results in 2004 and 2009, and the change of political regime in 2004 did not show a significant influence on the JCI.

Keywords: *inflation, exchange rate, BI Rate, presidential election, political regime, stock price, JCI, Partial Adjustment Model (PAM).*

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