

ABSTRACT

This study analyzes the influence of macroeconomic factors, including inflation, interest rates, exchange rates, and economic growth, on the Jakarta Composite Index (JCI) due to the Covid-19 pandemic. The study used secondary data, consisting of monthly time series data spanning 2010M1-2023M12 from the JCI. The research method employed a quantitative approach with regression analysis and Error Correction Model (ECM). The results indicate that inflation, interest rates, exchange rates, and economic growth significantly influence the JCI in the long term. However, only economic growth is significant in the short term. The pandemic dummy variable is insignificant in the short term. But indicates changes in market behavior in the long term. These findings indicate that the Indonesian capital market is more responsive to changes in economic fundamentals than to short-term, temporary shocks. Therefore, investors and policymakers must understand the stock market's sensitivity to macroeconomic dynamics, especially during periods of crisis.

Keywords: *inflation, interest rates, exchange rates, economic growth, Jakarta Composite Index (JCI), Covid-19 pandemic*

