The Analysis of The Influence of Exchange Rate, SBI Interest Rate, Inflation Rate, Dow Jones Index And Nikkei 225 Index To IHSG

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ABSRTACT
This research aims to describe the effect of Exchange Rate, SBI Interest Rate, Inflation, Dow Jones and Nikkei 225 toward the movement of JKSE (IHSG) either through partially and simultaneously on BEI. Population used in this research is Stock Price Index, Value Exchange Rate, SBI Interest Rate, Inflation Rate, Dow Jones and Nikkei 225. The sample consist of 125 firm. The analysis model in this research is linear multivariate regression. It uses partial and stimulant approaches to examine the influence of variables Exchange Rate, SBI Interest Rate, Inflation Rate, Dow Jones and Nikkei 225 toward the movement of IHSG with 5 % (α = 0.05) significant rate. This research shows that by using simultaneous approach, there is significant influence between Exchange Rate, SBI Interest Rate, Inflation Rate, Dow Jones and Nikkei 225 toward IHSG. By using the partial approach Exchange Rate, SBI interest rate, inflation rate and the Nikkei 225 index and a significant negative effect on stock index and Dow Jones have a positive and significant impact on IHSG. Value of the adjusted coefficient of determination (adjusted $R^2$) of 0.781. 78.1% of dependent variables that IHSG could be explained by independent variables such as exchange rate, SBI Interest Rate, Inflation Rate, Dow Jones, Nikkei 225 and the remaining 21.9% is explained by another variable beyond the variables used.

Keyword: Exchange Rate, SBI, Inflation, Dow Jones, Nikkei 225, IHSG

INTRODUCTION
For partially society, the indicator of macro economic such as PDB, inflation, interset and value of exchange currency can help investor to predict what will be happened to the development of capital market. For the example, the rate of interest SBI can be used to predict the rate of stock or obligation that will be happened. If the investor predict that the degree of interest will be increased, so the investor can estimate that the rate of obligation and stock will tend to decrease. The ability of the investor to understand and predict the
condition of macro economic for the future will be used to make the decision of the profitable investation. (Tandelilin, 2001:211).

The capital market is one of the mover of economic system in a country. Many previous theories and researchs reveals that the development of the combination Price Stock Index is affected by some of factors. This factor come from the overseas (external) and the domestic (internal). Based on the description, the problems in this research is Do the Exchange Rate, Interest Rate, Inflation Rate, Dow Jones Index and Nikkei 225 Index affect the development of IHSG simultaneously and partially?

**THE THEORY AND HYPOTHESIS**

The Definition of Investment is the commitment of a number of funds or other resources that doing at this time, with the goal to obtain a number of advantages in the future. (Tandelilin, 2001: 3). The reason why a person is doing the investation are to earn a decent living in the future, reduce the inflation pressure, and save the tax (Tandelilin, 2001: 5).

Capital Markets is a meeting between the parties that have the excess funds to the part who need funds by doing the securities trade. (Tandelilin, 2001: 3)

The reason why a person is doing the investation is to earn a decent living in the future, reduce the inflation pressure and save the tax (Tandelilin, 2001: 5).

**The Definition of Exchange Rate**

According to Nopirin (2000: 163), exchange rate is the exchange between two different currencies, it will get a comparison of the value / price between two such currencies. For example, the exchange rates of Foreign (US dollar) is US$ = Rp 678, 00. It means that Rp 678, 00 can be exchanged for dollar as much as US$ 1 or Rp 1, 00 can be measured with dollar as much as US$ 1/67.

**H1**: The Exchange Rate effects negatively to IHSG.

**The Definition of SBI Interest Rate**

SBI Interest rate is one of the important factors to consider in the making investation decision. According to BI, the interest rate is the cost burden that represent by a certain percentage in order to borrow money for a certain period. The Certificate of Bank Indonesia (SBI) is securities issued by Bank Indonesia as the recognition of short-term debt (1-3 months) with discount or interest system.

**H2**: SBI Interest rate effects negatively to IHSG.

**The Definition of Inflation**

Inflation is the increasing process of the common prices of goods continously during the certain periode. This increasing price is measured by using price index. Some prices index is often used to measure the inflation such as a cost of living index (consumer price index), trade price index (wholesale price index) and GNP deflator (Nopirin, 2000: 25).
H₃: Inflation rate effects negatively to IHSG

The Definition of Dow Jones Index

Sunariyah (2006) states that Dow Jones Index is one of three main indexes in United States. The other index is Nasdaq Composite and Standard & Poor’s 500. United States as the purpose country of Indonesian Export, the economic development of United States can encourage the Indonesian economic development through export and capital inflows, both direct investment and through market modal, such as IBM, Procter & Gamble, Hewlett Packard, Coca-Cola, Johnson & Johnson and other famous companies.

H₄: Dow Jones Index effects positively to IHSG

The Definition of Nikkei 225 Index

Nikkei 225 is stock index in Tokyo stock exchange. Sunariyah (2006) states that Japan is one of the purpose export country of Indonesia to encourage the growth of the Indonesian economy through exports and capital inflows investment either directly or through capital markets.

H₅: Nikkei 225 effects positively to IHSG.

Based on the description above, the framework of this study are:

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>X₁ = Rate of Exchange</td>
<td>Y = IHSG</td>
</tr>
<tr>
<td>X₂ = SBI</td>
<td></td>
</tr>
<tr>
<td>X₃ = Inflation</td>
<td></td>
</tr>
<tr>
<td>X₄ = DowJones</td>
<td></td>
</tr>
<tr>
<td>X₅ = Nikkei</td>
<td></td>
</tr>
</tbody>
</table>

RESEARCH METHODS

The sample in this study includes Jakarta Stock Exchange data (JKSE) representing IHSG, Rupiah Exchange representing the exchange rate, SBI Interest Rate period of one month, one month rate of inflation, the Dow Jones index representing the US stock market and the Nikkei 225 Index representing the Japanese stock market sampling in this study to determine the level of significance of the influence of the independent variable to the dependent variable.

Data obtained directly from www.finance.yahoo.com is monthly data during the observation period from January 2001 to May 2011.
### The Definition of Operational

<table>
<thead>
<tr>
<th>Kind of Variable</th>
<th>Name of Variable</th>
<th>Definition</th>
<th>Parameter</th>
<th>Scale of Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable</td>
<td>IHSG (Y)</td>
<td>The amount of the daily market value divided by total shares listed</td>
<td>IHSG = ( \frac{Nilai Pasar}{Nilai Besar} \times 100% ) (Jogianto, 2007:61)</td>
<td>Ratio</td>
</tr>
<tr>
<td>Independent Variable</td>
<td>Exchange Rate US $ (X1)</td>
<td>The exchange rate of rupiah to the US Dollar by Bank of Indonesia</td>
<td>Mid Exchange Rate = ( \frac{Kurs_jual + Kurs_beli}{2} ) (<a href="http://www.bi.go.id">www.bi.go.id</a>)</td>
<td>Ratio</td>
</tr>
<tr>
<td></td>
<td>Inflation Rate (X2)</td>
<td>Inflation can be defined as the increase in the level of prices of goods and services in general and continuously for a certain time</td>
<td>( IR = \left( \frac{HPS_n - HPS_{n-1}}{HPS_{n-1}} \right) \times 100 ) (Fahmi, 2009:23)</td>
<td>Ratio</td>
</tr>
<tr>
<td></td>
<td>SBI Exchange Rate (X3)</td>
<td>SBI is a cost to be paid by the borrower on loan received and a reward for the lender on their investment</td>
<td>The result of auction from common Bank and intermediary from money market that exist in Bank of Indonesia. (<a href="http://www.bi.go.id">www.bi.go.id</a>)</td>
<td>Ratio</td>
</tr>
<tr>
<td></td>
<td>Dow Jones Index (X4)</td>
<td>Index that used to measure the performance of the New York Stock Exchange</td>
<td>Dow Jones Index = ( \frac{MP}{Divisor} ) (en.wikipedia.org)</td>
<td>Ratio</td>
</tr>
<tr>
<td></td>
<td>Nikkei 225 Index (X5)</td>
<td>Index used to measure the performance of the Japanese stock market</td>
<td>Nikkei 225 Index = ( \frac{MP}{Divisor} ) (en.wikipedia.org)</td>
<td>Ratio</td>
</tr>
</tbody>
</table>

### Method of Collecting Data

The collection of data and information is done by taking from the internet, articles and journals, which supports this research process. The criteria of sample collection includes stock index price at the closing time for 125 months is expected to represent the population. Sample of SBI interest rate by a bank certificate Indonesia for the monthly interest rate is taken download from Bank of Indonesia website, the inflation rate used is the monthly inflation was taken download from website of Inflation, exchange rate using median rate sum of the exchange rate and the sale and purchase exchange rate divided by two is taken download from BI website and Dow Jones index representing the US stock market and the Nikkei 225 which represents the Japanese stock market was taken download from Yahoo Finance website from 31 January 2001 until May 2011 for monthly data. The reason of the election year period of data used was to get more accurate results. The Reason for the selection of monthly data is to avoid biases that occur in the information so that it can react more accurately.

### Type and Source of Data

The data used in this research is secondary data. Secondary data is data that has been published for public use.

### Model and Data Analysis Technique

Analysis model used in this research is multiple linear regressions. Multiple linear regressions are used to determine the influence of Exchange Rate, SBI, Inflation, Dow Jones and the Nikkei 225 for 125 months from January 2001 to May 2011 to the movement of IHSG simultaneously and partially.
The tests were conducted for these studies are as follows:

1. **Classical Assumption Test**

a. **Normality Test Data**

Normality test goal is to determine the regression model, the dependent variable, independent variable or both normal distribution or not. Normality test is done by using Kolmogorov-Smirnor test by comparing the probability value (p-value) obtained with a significance level that has been determined is 0.05. The base for the decision making within the normality test is as follows: if (p-value) of each independent variable is greater than 0.05, then the data were normally distributed and when (p-value) of each independent variable is smaller than 0.05, then the data is not normally distributed, (Gujarati, 2006: 147). Some of the main deviations are:

b. **Multikolinearitas**

Multikolinearitas is a situation where one or more independent variables are correlated with other independent variables. Multikolinearitas presence can be seen from the Tolerance Value (TV) or variance Inflation Factor (VIF). Tolerance value is the amount that shows that the independent variables can not be explained by other independent variables in a regression equation. The Boundary of the TV is 0.10, if TV exists under 0.10 then it will be occur multikolinearitas.

While Variance Inflation Factor (VIF) is the opposite of Tolerance value, because VIF = 1 / VIF. VIF is a number that shows the independent variable can be explained by other independent variables in the regression equation. VIF limit is 10, if VIF exists above 10 then it will be occur multikolinearitas.

c. **Autocorrelation**

Run test is used to detect autocorrelation. Run test is used to see if the residual data occur randomly or not (Ghozali, 2006: 107).

H0: residual (RES1) random, and HA: residual (RES1) not random

d. **Heteroskedasticity Test**

Heteroskedasitas test aims to test whether the regression model occur inequality variance from residual one observation to other observation. If residual variance from one another observation stays, it is called and if different homoskedasitas called heteroskedasitas. Most data crosssection contains heteroskedasitas situation because this data collects data that represent the various sizes of small, medium and large.

2. **Hypothesis Testing**

This analysis tool is used the Multiple Regression Analysis (Multiple Regression) Ghozali (2006: 86), which is formulated as follows:

\[
\text{IHSG} = a + b_1 \text{ (Exchange Rate)} + b_2 \text{ (SBI)} + b_3 \text{ (Inflation)} + b_4 \text{ (DowJones index)} + b_5 \text{ (Nikkei Index)} + e
\]

Specification:

\[
Y = \text{IHSG}, a = \text{constant}, b = \text{coefficient of the regression line}
\]
X1 = Rupiah Exchange Rate (Exchange Rate), X2 = SBI rate, X3 = Inflation 
X4 = Dow Jones Index, X5 = Nikkei 225 Index, e = Standard error

**a. Simultaneous Test (F Test)**

F Value is used to determine the significance of jointly influence of each independent variable to the dependent variable. If (p value) < 0.05 then Ho means that there is significant influence jointly between the independent variables to the dependent variable and vice versa if (p value) > 0.05 then Ho is accepted means that there is no significant influence jointly between the independent variable to the dependent variable. (Ghozali, 2006: 88)

**b. Partial Test (T test)**

T value is used to determine the significance of the partial effect of each independent variable to the dependent variable. If the value of (p-value) < 0.05 then Ho is rejected means that there is significant influence partially between the independent variables to the dependent variable and vice versa if (p-value) > 0.05 then Ho is accepted means that there is no significant effect partially between the independent variable to the dependent variable.

**c. Accuracy Test Model**

The coefficient of determination ($R^2$) was used to measure how far the ability of the model to explain the dependent variable. Value ($R^2$) is between 0 dan1. Value ($R^2$) which is small means that the ability of independent variables to explain the dependent variable is very limited. A value close to 1 means that the independent variable provides almost all the information needed to predict the variation of independent variable. (Ghozali, 2006: 87).

**RESULTS AND DISCUSSION**

**SPSS Processing Results**

The Statistics for each dependent and independent variables which analyzed is presented in the descriptive statistics table contained in Table 4.1 as follows:

**Table 4.1**

| Source: Secondary Data |

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>IHEG</td>
<td>125</td>
<td>274.83</td>
<td>372.52</td>
<td>1473.469</td>
<td>982.72538</td>
</tr>
<tr>
<td>KURS</td>
<td>125</td>
<td>.00</td>
<td>.00</td>
<td>.0001</td>
<td>.00001</td>
</tr>
<tr>
<td>SBI</td>
<td>125</td>
<td>6.20</td>
<td>17.67</td>
<td>10.0290</td>
<td>3.37420</td>
</tr>
<tr>
<td>INFLASI</td>
<td>125</td>
<td>-2.10</td>
<td>5.60</td>
<td>2.4079</td>
<td>1.42962</td>
</tr>
<tr>
<td>DOWJON</td>
<td>125</td>
<td>7962.93</td>
<td>13930.01</td>
<td>10533.36</td>
<td>1479.23045</td>
</tr>
<tr>
<td>NIKKEI</td>
<td>125</td>
<td>7588.42</td>
<td>18138.36</td>
<td>11906.59</td>
<td>2811.29260</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>125</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
IHSG is the price index of Stock Exchange in the period January 31, 2001 monthly until May 2001. The amount of the average value of the stock index is 1473.469. The highest IHSG value at 3727.52 with the lowest stock IHSG index at 274.83 with a standard deviation from the average stock IHSG index at 982.725. Exchange rate Rupiah is using the middle exchange rate in the monthly period from January 31, 2001 until May 31, 2011 with the average exchange rate of USD 0.0001, the highest rate at Rp 0.000119 and the lowest published rate at Rp 0.000083 with a standard deviation from the average of exchange rate at Rp 0.00001.

SBI interest rate level for the month in the period January 31, 2001 until May 31, 2011 with the average SBI interest rate at 10.029%, the highest SBI interest rate at 17.67% and the lowest SBI interest rate at 6.2% with a standard deviation from the average of SBI interest rate at 3.37%.

Monthly inflation rate for the period January 31, 2001 until May 31, 2011 with the average inflation rate at 2.41%, the highest inflation rate at 5.6% and the lowest inflation rate at -2.1% with a standard deviation from the average of inflation rate at 1.43%.

Dow Jones is the United States stock price index in the monthly period from January 31, 2001 until May 31, 2011. The value of the average Dow Jones index at 10533.36, the highest value of Dow Jones index at 13930.01, with the lowest value Dow Jones index at 7.062, 93 with a standard deviation of Dow Jones index at 1479.23.

The Nikkei 225 is a stock index of Japan in the monthly period from January 31, 2001 until May 31, 2011. The amount of the average value of the Nikkei 225 index at 11906.58, the highest value of the Nikkei 225 index at 18138.36, with 225 lowest value of Nikkei 225 index at 18138.36, with a standard deviation of the Nikkei 225 index at 2811.28.

**Normality Test**

A good regression model is to have a normal data distribution or T near normal. One sample Kolmogorov Smirnov Test is used in this situation. The test result are showed as follows:

**Table 4.2**

<table>
<thead>
<tr>
<th>Source: Secondary Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>From the Kolmogorov-Smirnov test results obtained by the value of the Kolmogorov-Smirnov test was significant in 0.635 and 0.815. This means H₀ accepted, which means the data are normally distributed residuals.</td>
</tr>
</tbody>
</table>
Multicollinearity Test.
Based on the results of processing SPSS multicollinearity test results are obtained as follows:

**Table 4.3**
Test Results Multicollinearity

<table>
<thead>
<tr>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.645</td>
<td>1.184</td>
</tr>
<tr>
<td>0.697</td>
<td>1.435</td>
</tr>
<tr>
<td>0.694</td>
<td>1.462</td>
</tr>
<tr>
<td>0.270</td>
<td>3.580</td>
</tr>
<tr>
<td>0.325</td>
<td>3.074</td>
</tr>
</tbody>
</table>

Source: Secondary Data
From table 4.3 it can be seen that the value of Tolerance is not less than 0.1 and VIF for each variable is less than 10 and it is proved that the regression model used in this study, there are no symptoms multicolinearity.

**Test Autocorrelation**
Based on the results of SPSS processing Run Test results are obtained as follows:

**Table 4.4**

<table>
<thead>
<tr>
<th>Test Value&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases &lt;&lt; Test Value</td>
<td>37.25201</td>
</tr>
<tr>
<td>Cases &lt;= Test Value</td>
<td>62</td>
</tr>
<tr>
<td>Cases &gt;= Test Value</td>
<td>63</td>
</tr>
<tr>
<td>Total Cases</td>
<td>125</td>
</tr>
<tr>
<td>Number of Runs</td>
<td>22</td>
</tr>
<tr>
<td>Z</td>
<td>-7.454</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: Secondary Data
From autocorrelation test in Table 4.4, the value test is37.25201 with the probability of 0.000 is not significant at 0.05 which means that the null hypothesis is accepted, so that it can be concluded that the residual random or did not happen between the autocorrelation residual value.

**Test Heteroskedasticity**
**Figure 4.1 Scatterplot**

Source: Secondary Data
Based on the figure 4.1 there were no specific pattern, and the dots spread above and below the number 0 on the Y axis, it is said does not happen heteroskedasity.

**F Test**

Table 4.5

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>795,086,858</td>
<td>5</td>
<td>150,013,716</td>
<td>47,017</td>
<td>0.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>402,460,399</td>
<td>119</td>
<td>3,382,022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,1E+008</td>
<td>124</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), NIKKEI, KURS, SBI, INFLASI, DOWJONES
b. Dependent Variable: IHSG

Source: Secondary Data

From the results of the calculation SPPS above can be seen that the value of the significance is of 0.000 and calculated F value at 47.017. As a basis for a decision is the level of significance at 5% (σ = 0.05), Because the significance value less than 0.05 then it shows the influence of Exchange Rate, SBI Rate, Inflation, Dow Jones Index and Nikkei 225 Index simultaneously against to IHSG. The decision is the Exchange Rate US $ / Rupiah, SBI Interest Rate, Inflation, Dow Jones Index and Nikkei 225 Index effects simultaneously against to IHSG.

**Table 4.6**

Individual Parameter Significance Test

<table>
<thead>
<tr>
<th>Coefficients*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>KURS</td>
</tr>
<tr>
<td>SBI</td>
</tr>
<tr>
<td>INFLASI</td>
</tr>
<tr>
<td>DOWJONES</td>
</tr>
<tr>
<td>NIKKEI</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: IHSG

Source: Secondary Data

From the table above can be obtained regression equation as follows:

IHSG = 389.437 - 0.0000002 Exchange Rate – 115.805 SBI – 123.766 Inflation + 0.603 Dow Jones - 0165 Nikkei

1. The constant value at 389.437 means that if the exchange rate value of the independent variable (X1), SBI (X2), Inflation (X3), Dow Jones (X4) and Nikkei (X5) is zero then the value of IHSG is 389.437
2. Regression coefficients Exchange (X1) equal to - 0.0000002 means if the value of exchange rate (X1) increased by 1 point then IHSG will fall by 0.0000002 points.
3. The SBI regression coefficient (X2) of -155.805 means that if the value of SBI (X2) increased 1 point, the IHSG will decrease by -155.805 points
4. Inflation regression coefficient (X3) of -123.766 means that if the value of Inflation (X3) increased by 1 point then IHSG will decrease by -123.766 points.

5. The Dow Jones regression coefficient (X4) at 0.603 means that if the value of the Dow Jones Index (X4) increased by 1 point then IHSG will increase by 0.603 points.

6. Regression coefficients Nikkei 225 (X5) at -0.165 means that if the value of the Nikkei 225 (X5) increased by 1 point then the movement of IHSG will decrease at 0.165 points.

**T Test**

1. From the regression equation obtained t value of the Exchange Rate of -2405 With a significance level of 0.018. Because the significance value less than 0.05 and the value of th (-2405) < tt (-1960) then H0 is rejected so there is significant influence between the variables of Exchange Rate on IHSG.

2. From the regression equation obtained t value of the rate of SBI rate at -6246 with a significance level of 0.000. Karena significance value less than 0.05 and the value of th (-6246) < tt (-1960) then H0 is rejected so that there is significant influence the variable rate of SBI rate against IHSG.

3. From the regression equation obtained t value of the inflation rate for the 2,800 with a significance level of 0.006. Karena significance value less than 0.05 and the value of th (-2800) < tt (-1960) then H0 is rejected so that there is significant influence between the variables Inflation tinkle against IHSG.

4. From the regression equation obtained t value of the Dow Jones Index for 9028 with a significance level of 0.000. Karena significance value less than 0.05 and the value of th (9028) > tt (1960) then H0 is rejected so that there is significant influence between the variables of Dow Jones against IHSG.

5. From the regression equation obtained t value of the index amounted to -5 706 Nikkei 225i with a significance level of 0.000. Karena significance value less than 0.05 and the value of th (-5706) < tt (-1960) then H0 is rejected so that there is significant influence between The Nikkei 225 index variables to IHSG.

**Accuracy Model Test**

**Table 4.7**

**Coefficient of Determination**

![Model Summary Table](image)

Source: Secondary Data
The value of the adjusted coefficient of determination (adjusted R2) of 0.781 atinya 78.1% IHSG dependent variable can be explained by the independent variable such as Exchange Rate, SBI Interest Rate, Inflation, Dow Jones and Nikkei 225 and the rest 21.9% explained by other variables outside of the variables used.

DISCUSSION

The results showed the influence jointly independent variable is Rupiah Exchange, SBI Interest Rate, Inflation, Dow Jones and Nikkei 225 on the dependent variable Composite Stock Price Index (CSPI) on the Stock Exchange. Partially independent variables were also significantly influence the Composite Stock Price Index (CSPI) on the Stock Exchange.

1. Exchange Rate Value

There is a negative influence between Exchange Rate on Composite Stock Price Index at the Stock Exchange during the study period from January 2001 to May 2011. Negative effect can be seen if the value of the rupiah against the US $ rose (Rupiah weakened or depressed), it will cause the stock price go turun. Hal occur because economic actors will perform anticipation by selling shares held. So, automatically Composite Stock Price Index will experience penurunan. Demikian the contrary, if the value of the rupiah against the US $ has decreased (Rupiah strengthened or appreciated) then the value Rupiah exchange amount required to buy a US $ rendah. This case causes more investors are interested to invest in the stock market because they are optimistic that the performance of listed companies could grow well in line with the strengthening of the rupiah. The investor reaction will cause the stock price to rise Composite Stock Price Index (CSPI) also increased.

2. Interest Rate Index

Research test results prove there is a negative influence between SBI Interest Rate on Composite Stock Price Index in BEI. This case shows SBI interest rate is an instrument of investment parameter is the reference for investors, the data shows the highest value of SBI interest rate of 17.67% in August 2001 and in subsequent years has decreased to a low of 6.2% in June 2010. This means that if the lower SBI interest rate investors shift their investment to buy shares which resulted in the stock market performance to be good. The high interest rate SBI caused investors tend to save their money in the Bank, compared to invest money in the market modal. Sehingga when many investors are invetsation funds in the banking stock trading in the BIE will degenerate resulting in falling prices rising saham. Jadi investors to keep their money in Bank lead to capital markets became sluggish as a result of IHSG will turun. And thus, if the SBI interest rate drops will lead investor money into the stock market by buying shares, so it will trigger an increase in IHSG.
3. Inflation
Research test results prove there is a negative influence of the inflation rate on Stock Price Index Gabungan. Berdasarkan results show that the reduction in the level of inflation will push up the IHSG and conversely the higher the rank of inflation then the down IHSG. The mechanisms that increase in inflation caused by high demand in the market goods resulting increase in the money supply this happens because of the low bank interest rates, causing investors prefer to invest their money in the stock market by buying shares of IHSG consequently be increased.

4. Dow Jones Index
Research test results prove there is a positive influence between the Dow Jones in New York Stock Exchange (NYSE) on Stock Price Index (CSPI) in Indonesia Stock Eph oak. This means that if Ideks DJIA stocks have increased, which means the value of the US dollar weakened or depreciated, in this case the value of the rupiah strengthened, then the monetary authorities will take the policy to lower interest rates sehingga economic actors will release the deposits and transfer funds in the form of equity investments which resulted in the stock price rose. The stock price increase will affect the rising value of CSPI. Conversely, if the Dow Jones stock index declined (US $ strengthened or appreciate), which means increasing the value of the rupiah (IDR weakened or depreciated), thus making investors pessimistic about the performance of the issuer and immediately withdraw funds from capital markets.

5. Nikkei 225 Index
Results of research testing does not prove there is a positive influence between the Nikkei 225 on stock price (IHSG) in Indonesia Stock Exchange. These results indicate that the Nikkei 225 index has a negative influence toward this shows that the increase in the index in Japan resulting weakening of confidence among economic actors on the Indonesian stock market may be due to the unstable condition of Indonesian politics and this shows that there is an opportunity to develop the domestic capital market through the foreign. And weakening CSPI also triggered the earthquake and tsunami in March 2011, as it also negative sentiment from the weak US economy and the debt crisis in Europe.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions
1. Simultaneously changes in variables rupiah, SBI Rate, Inflation, Dow Jones and Nikkei225 index has a significant impact on the Composite Stock Price Index (IHSG) in Indonesia Stock Exchange.
2. The results showed that the first hypothesis (H1) in this study can be accepted, the variable has a value of Exchange Rate negative and significant impact on IHSG in the BEI. The result showed opposite changes in value between the exchange rate of US $ against the IHSG. If the value of the rupiah against the US $ rose (Rupiah weakened or depressed), it will cause the stock price go down.
It happened because of economic actors will perform anticipation by selling shares held secepatnya. So, automatically Composite Stock Price Index will experience penurunan. Demikian versa, if the rupiah against the US $ has decreased (Rupiah strengthened or appreciated) the exchange value of a number Rupiah needed to buy one US $ rendah. These, causes more investors are interested to invest in the stock market because they are optimistic that the performance of listed companies could grow well in line with the strengthening of the rupiah.

3. The results showed that the second hypothesis (H2) in this study can be accepted, the variable rate of SBI has a negative and significant impact on IHSG in BEI, because the interest rates are likely to decline in periods of this year's dance community 2001-2011. Hal choose invest in the stock market, thus improving the performance of the stock market.

4. The results showed that the third hypothesis (H3) in this study can be accepted, the variable rate of inflation has a negative and significant impact on IHSG in BEI. Artinya the higher rate of inflation would make the stock performance will deteriorate.

5. The results showed that the fourth hypothesis (H4) in this study may be accepted, namely variable stock index Dow Jones has a positive and significant impact on IHSG in BEI. It is mean, if the Dow Jones index has increased (in this case the dollar strengthened Rupiah) then the monetary authority is obliged to take the policy by lowering interest rates. The policy will result in investors pull their deposits as soon as possible and invest funds into the market modal. Appearance many investors will cause the stock price rise so that the value of IHSG increased and vice versa.

6. The results showed that H5 in this study can not be accepted, the Nikkei 225 index variable has a negative and weakening of confidence among economic actors on the Indonesian stock market may be due to the political situation Indonesia has not been stable.

7. The amount of ability to explain the changes in the value of the Rupiah exchange rate variable, SBI Interest Rate, Inflation, Dow Jones and Nikkei 225 on the Indonesia Stock Exchange Composite Index of 78.1%. Residual by 21.9% influenced by other factors outside the Rupiah exchange rate, SBI interest rate levels, Inflation, Dow Jones and Nikkei225 index.

Suggestion

1. Investors are more careful in taking decisions to invest money and to be more alert to the market situation and the information from different sources should also be considered so that later no loss in investing in the stock market as well as for investors who would carry out investment transactions on the Stock Exchange one of the considerations is the view of the US stock indices because of the results of this study American stock indexes gave the greatest influence on IHSG.
2. For further research is expected to increase the number of samples and the independent variable and time term observations in addition to monthly.

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