EFFECT OF CERTIFICATE OF BANK INDONESIA (SBI), VALUE EXCHANGE AND DOW JONES INDUSTRIAL AVERAGE (DJI) TO INDEX JOINT STOCK PRICE (CSPI)
(Empirical study on the Indonesia Stock Exchange from 2003 to 2010 period)

Suhartono¹, Slamet Heri Winarno²

¹) Academy of Management Secretary and Bina Sarana Informatika
Jl. Kramat Raya No. 168 Central Jakarta, Indonesia
E-mail: suhar_tono_2005@yahoo.com

²) Akademi Sekretari dan Manajemen (ASM) BSI Jakarta
Jl. Kramat Raya No. 168, Jakarta Pusat
E-mail: slamet_heri@yahoo.com

ABSTRACT
Capital markets play an important role in the economy of Indonesia, where the Composite Stock Price Index can be a leading economic indicator in a country. The movement of the index is strongly influenced by investor expectations of a fundamental condition of the country and globally. That new information will affect investors’ expectations that ultimately will affect the JCI. Broadly speaking, there are three major factors that influence the movement of stock index are: domestic factors, foreign factors, and factors of capital flows to Indonesia. Domestic factors of fundamental factors of a country such as inflation, national income, the money supply, interest rates, as well as the rupiah. Various factors are considered to be fundamental effect on investor expectations that ultimately affect the index movement. Foreign factor is one of the implications of the forms of globalization and increasingly integrated capital markets around the world. These conditions allow the emergence of the influence of the advanced bourses (developed) such as stock Dow Jones industrial average (DJI) America’s emerging markets.

Keywords: Effect of SBI, exchange value, DJI, JCI

I. INTRODUCTION
The process of globalization at the phase now consists of two distinct phenomena, namely globalization and the globalization of investment products business through capital markets as a form of direct investment can be done anywhere in the world including in Indonesia Stock Exchange (BEI).

Investment through the capital market in addition to providing results, it also contains risks. The size of the risk in the stock market is influenced by the state of the country especially in the economic, political and social. The situation in the company can also affect stock prices rise or fall. Investment growth in a country will be affected by the country’s economic growth. The better the economy of a country, the better the level of wealth of their citizens. Higher level of prosperity that is generally characterized by an increase in community income levels. With an increase in revenue, it will be more and more people who have excess funds, excess funds can be utilized for storage in the form of savings or invested in securities that are traded in capital markets.

But the monetary crisis that hit Indonesia until now has been devastated Indonesia's economy which was originally experiencing rapid economic growth, giving rise to inflation. Due to the continuous rising inflation and the increase can not be controlled, making all areas of the economy affected. Particularly in capital markets, stock prices fluctuated so much.

SBI interest rates seen in the last 2 years has decreased, this can be seen from the data obtained from Bank Indonesia from www.bi.go.id, where the interest rate of SBI in December 2006 amounted to 9.75%, which
decreased amounted to 8.00% in 2007, and again decreased by 6.95%.

The more reduced the interest rate of SBI was no indication is triggered by the high foreign exchange trading activity in this case the U.S. dollar, so there is a tendency of many investors who prefer to invest their funds in foreign exchange trading sector. Fluctuations in foreign exchange trading value in this case the rupiah and U.S. dollar in the last three years proved to show very high fluctuations in January 2007 where the middle rate of the rupiah against the U.S. dollar is USD. 9090 and closed in late December 2007 was Rp. 9419. In January 2008 the value of rupiah exchange rate was Rp. 9291 and closed at the end of December 2008 amounted to Rp. 10 950, and in January 2009 was Rp. 11 355 and closed in June 2009 amounting to Rp. 10 225.

Capital market through stock exchanges Indonesia Indonesia is an integral part of the global stock market activity. In addition to usually stock exchanges located adjacent, often have the same investors. The phenomenon that occurs due to globalization and Indonesia as a member of the World Trade Organization has opened a stock exchange for foreign investor invest around the world. Therefore, changes in the stock exchanges will also be transmitted to other countries. In this case, usually a larger exchanges such as Dow Jones will affect the smaller exchanges.

II. REVIEW REFERENCES

2.1. Bank Indonesia Certificates (SBI)
2.1.2 Objectives of Bank Indonesia Certificates (SBI)
SBI issuance purposes include:

a. Affect the commercial bank reserve money
b. Attract banks to enable them to invest excess reserves.
c. Provides Money Market instruments in rupiah-denominated interest-bearing, liquid and free of risk (which can be used as a regulator of bank reserve positions).
d. Enlarge SBI bank liquidity in trading in the secondary market.

In addition it is also intended to influence market interest rates. The first goal and the second relates to the elimination of credit ceiling policy issued by Bank Indonesia in June 1983 inelalu Package. With abolished credit line banks feared that excess liquid tool will give you credit without regard to the principle of prudence. For that created a means to attract excess bank liquidity tools through the sale of SBI in the primary market. The third and fourth goal is to enable the money market yield high returns relativ with low risk. To achieve these objectives there must be other means of course that will determine the size of SBI rate itself. The higher the interest rate of SBI will be more interested unluk banks invest their funds in SBIs and to reduce the granting of credit with a high risk. (Www.bi.go.id)

2.1.3 Basic Law of Bank Indonesia Certificates
SBI is the legal basis for the issuance of Law No.13 of 1968 on the Central Bank, the Board of Directors of Bank Indonesia Decree No.31/67/KEP/DIR dated July 23, 1998 on Issuance and Trading of Bank Indonesia Certificates and Intervention rupiah, and Bank Indonesia Regulation No. 6 / 2/PBI/2004 dated February 16, 2004 concerning Bank Indonesia - Scriptless Securities Settlement System.

2.1.4 Advantages and Disadvantages of SBI
2.1.4.1 Advantages
The main advantage of investments in the instruments of Bank Indonesia Certificates are:

a. Opportunity to earn higher interest income from the instrument and deposits
b. Maintain liquidity, i.e. if at any time the company needs funds, SBI can be traded and accepted by all financial institutions so banks and non banks highly liquid.

2.1.4.2 Losses
Investment losses are:

a. SBI is the smallest age is one month, making it less flexible if funds are available only to companies that invested less than a month
b. SBI Investment in the final income tax imposed by 20%. (Www.bi.go.id)

2.1.5 Characteristics of SBI
SBI is essentially an instrument of short-term risk-free. SBI main characteristics are:

a. Giving flowers
Interest on SBI known as the discount rate, because SBI sold at discount prices at the level of discount, or in other words the SBI interest rate is given at the beginning.
b. Publishing
SBI issued based on performance, namely the last one bringing the SBI on the due date then he is entitled to melt it.
c. Interest rate
SBI interest rate is determined by auction every Wednesday evening at 18:00. Determination of interest rates is done by auction among money brokers appointed by Bank Indonesia. Money brokers who bid on low interest rates will be prioritized to get the SBI advance. (Www.bi.go.id)

2.2 Exchange Rate (Currency)

2.2.1 Definition Rupiah Exchange Rate
According to Fabozzi (1996:724) the exchange rate is defined as the amount of one currency That can be exchange per unit of another currency, or the price of one currency to items of another currency.

Meanwhile, according to Adiningsih, et al (1998:155), the exchange rate is the price of the rupiah against foreign currencies. Thus, the exchange rate is the value of the rupiah currency is translated into another country's currency. For example the rupiah against the U.S. dollar, the rupiah against the yen, and so forth.

This exchange rate as one indicator that affects the activity in the stock market and money markets because investors tend to be cautious to invest. Declining rupiah exchange rate against foreign currencies especially the U.S. dollar had a negative impact on the economy and capital markets (Sitinjak and Kurniasari, 2003).

2.2.2 Determination of Exchange Rates
There are several factors that affect exchange rate movements, namely (Madura, 1993):

a. Fundamental Factors
Fundamental factors related to economic indicators such as inflation, interest rates, relative income differences between countries, and market expectations of central bank intervention.

b. Technical factors
Technical factors associated with foreign exchange supply and demand conditions at certain moments. If there is excess demand, while supply remains, then the foreign currency prices will go up and vice versa.

c. Market Sentiment
Market sentiment was caused more by rumors or news that are incidental political, foreign exchange which can drive prices up or down sharply in the short term. If the rumors or news has gone, then the exchange rate will return to normal.

2.2.3. Currency Exchange System
According Kuncoro (2001: 26-31), there are several currency exchange rate system prevailing in the international economy, namely:

a. Floating exchange rate system (floating exchange rate), this exchange rate system is determined by the market mechanism with or without stabilization efforts by monetary authorities. In the system of floating exchange rates there are two kinds of floating exchange rates, namely:

1) Floating free (pure) where the currency exchange rate is determined entirely by market forces without government interference. This system is often called clean floating exchange rate, in this system reserve is not required because monetary authorities do not attempt to define or manipulate the exchange rate.

2) Floating (managed or dirty floating exchange rate) in which the monetary authority plays an active role in stabilizing the exchange rate at a certain level. Therefore, foreign exchange reserves is usually required because the monetary authorities need to buy or sell foreign currencies to influence exchange rate movements.

b. Exchange rate system anchored (peged exchange rate). In this system, a state linking its currency with a currency other country or group of currencies, which usually is the currency of major trading partners "tether" to a currency means the currency value of the currency moves follow a tether . So in fact the currency fluctuation is not tethered but only fluctuate against other currencies following the currency into their moorings.

c. Exchange rate system anchored to crawl (crawling Pegs). In this system, a country made some changes in currency values periodically with a view to moving towards a particular value at a certain time frame. The main advantage of this system is a state could regulate the rate adjustment period is longer than the exchange rate system anchored. Therefore, the system can avoid surprises on the economy due to revaluation or devaluation of a sudden and sharp.

d. Currency basket system (basket of currencies). Many countries, especially
developing countries establish the value of its currency based on a basket of currencies. The advantage of this system is to offer the stability of a country's currency because the currency movements deployed within a basket of currencies. Selection of currencies included in the "basket" is generally determined by its role in financing the trade of certain countries. Different currencies which is weighted differently depending on their relative roles of the country. So a basket of currencies for a country may consist of several different currencies with different weights.

e. Fixed exchange rate system (fixed exchange rate). In this system, a country to announce a specific rate on behalf of his money and maintain this exchange rate by agreeing to sell or buy foreign currency in unlimited amounts at the exchange rate. Exchange rate is usually fixed or allowed to fluctuate within very narrow limits.

2.2.4. History of Exchange Rate Policies in Indonesia

Since 1970, Indonesia has implemented a three-state exchange rate system, namely:

   In accordance with Law No.32 of 1964, Indonesia adopted a fixed exchange rate system of the official rate of Rp. 250/US $, while other currencies are calculated based on the exchange rate of the rupiah against the U.S. $. To maintain a stable exchange rate at the specified level, Bank Indonesia intervened actively in foreign exchange markets.

b. Floating system (1978-July 1997)
   At this time, the exchange rate system based on a basket of currencies (basket of currencies). This policy is applied together with the devaluation of the rupiah in 1978. With this system, the government sets the exchange rate indication (barrier) and let the exchange rate moves in the market with a certain spread. The government only intervened when the exchange rate fluctuate up or down beyond the limit of the spread.

c. The system of floating exchange rates (August 14, 1997-present)
   Since mid-July 1997, the rupiah against the U.S. $ has weakened. In this regard and in order to secure the dwindling foreign exchange reserves, the government decided to remove a range of interventions (controlled floating exchange rate system) and began to adopt free floating exchange rate system (free floating exchange rate) on August 14, 1997. Elimination of the range of interventions is also intended to reduce government intervention activities against the rupiah, and consolidate the implementation of domestic monetary policy.

2.3 Dow Jones

2.3.1 History of the Dow Jones Index

Dow Jones & Co. was founded in 1882 by Charles Dow, Edward Jones and Charles Bergstresser. However, the average index is not her first published in the Wall Street Journal but dipesainyaa the Customers's Afternoon Letter. Initially did not include industrial stocks. The focus is on growth stocks at that time, the majority of the shares of transportation companies. This means the first Dow Jones stock count of nine railways, shipping and telecommunications companies. Average share price has finally evolved into the Transportation Average. Until May 26, 1896, the Dow transportation index and divided into industrial, which creates what we know as the Dow Jones Industrial Averages.

Charles Dow had the vision to create the benchmark index is to see the general market conditions and therefore will help investors see the company's performance. At that time, it was a revolutionary idea, but its implementation is very simple. To calculate the Dow Jones only add to the price of existing shares, and divided by 11, which is the number of existing shares in the index, in that day.

Currently, the DJIA is a benchmark of American stocks are considered a leader in the economy and also on the Nasdaq and NYSE. DJIA includes 30 companies with large capitalization, subjectively chosen by the editors of the Wall Street Journal. So far, companies in this index has been changed to ensure the criterion of the economy. Until recently, only General Electric, which is part of the early history of this index, which was entered into the DJIA. Others have been changing.

2.3.2 Company Listed in Dow Jones

The Dow Jones is the oldest stock market index in the United States apart from the Dow Jones transportation index. The Dow Jones was first issued on May 26, 1896 by Wall Street Journal editor and Dow Jones & company. The Dow Jones is a representation of an average of 12 stocks from various
important industries in the United States. When first published indexes are at 40.94. Now this company has the right selection list recorded in the Dow Jones index made by the editors of the Wall Street Journal. Selection is based on the ability of companies, economic activity, profit growth, etc. The selected companies in general is an American company that has worldwide economic activity (www.nyse.org).

The company was first listed on the Dow Jones index are as follows: American Cotton Oil Company, the American Sugar Company is now turned into Amstar Holdings American Tobacco Company, Chicago Gas Company, Distilling & Cattle Feeding Company, Laclede Gas Light Company, National Lead Company, North American Company, Tennessee Coal and Railroad Company, U.S. Leather Company United States Rubber Company, General Electric. Of the 12 companies which survived until now in the Dow Jones only General Electric. In the U.S. capital markets there are three main stock market index. Stock indexes are the Dow Jones Industrial Average, Nasdaq Composite and Standard & Poor's 500. The third overall index serves as a Security Market Indicator Series (SMIS). They provide the basic signal of how the performance of a particular market at a specific time. Of the three indices, the DJIA is the most widely publicized and discussed. And unfortunately, the DJIA is also the easiest to calculate and explain. Way of calculating the Dow Jones index as follows:

\[ DJIA = \frac{\sum p}{\text{Divisor}} \]

Note:
\[ \sum p \] = total number of shares
Divisor = number determined by Dow Jones as a divider. Divisor is always updated and adapted to market developments that occurred as a stock split, payment of dividends, bonus announcements, and other economic news. It aims to keep the index value remains consistent. Current divisor value is 0.12283402.

Sources: www.wikipedia.org

Today Dow Jones consists of 30 large companies and companies in the United States are: 3M, Alcoa, American Express, AT & T, Bank of America, Boeing, Caterpillar, Chevron Corporation, Cisco Systems, Coca-Cola, DuPont, ExxonMobil, General Electric, Hewlett-Packard, Home Depot, Intel, IBM, Johnson & Johnson, JPMorgan Chase, Kraft Foods, McDonald's, Merck, Microsoft, Pfizer, Procter & Gamble, Travelers, United Technologies Corporation, Verizon Communications, Wal-Mart, Walt Disney

The Dow Jones is one of the three major indexes in the United States. Another index is the Nasdaq Composite and Standard & Poor's 500. This index represents the economic activity in the United States. This index may reflect on how the performance of the American economy. Company listed on the Dow Jones Index is a large company that has operated globally. With the rise in the Dow Jones index this means the United States entered the economic performance improves. As one export destination for Indonesia, the United States economic growth could encourage Indonesia's economic growth through exports and capital inflows of investment either directly or through capital markets (Sunariyah, 2006).

2.3.3 The complexity of the DJIA

As you might guess, calculate the DJIA is currently not as simple as it used where only adds and dividing by 30. Charles Dow life future stock splits and dividends is not yet a common part of the market, so he did not see this going to affect the index.

As an illustration, if a company trading at a price of U.S. $ 100 then implements the stocks split 2 to 1, the number of shares will amount to two-fold and the stock price per share to $ 50. This will make the DJIA index dropped even though there is no fundamental change in the stock. To absorb the effects of price changes due to stock split, to develop Dow DJIA divisor, a figure used in the adjustment of stock splits that are used as the divisor in the calculation of this index.

2.3.4 Mechanism of the Dow Divisor.

To calculate the DJIA, all the current prices of 30 stocks in the index are added and then divided by the Dow divisor, which is constantly modified.

Now let's illustrate, we will create a pilot index, called Learning Mahadana Average (MLA). MLA consists of 10 stocks, which have a total of U.S. $ 1000 if all stock prices are added. This means that the index MLA will have a value of 100 (U.S. $ 1,000 / 10). Here the index denominator (divisor) is 10.

Suppose there is a component stock is traded on the MLA price of U.S. $ 100 but the stock-split 2 to 1, reducing its share price to $ 50. If the divisor does not change, the index
calculation gave the MLA will be our number 95 (U.S. $ 950/10). This would be inaccurate because the actual stock price change only, not the value of the company. To compromise this, we must adjust the divisor number dropped to 9.5. With this, the index will still be there at number 100 (U.S. $ 950/9.5) and will further provide an accurate picture of stock indices MLA.

2.3.5 Conversion Into DJIA Dollar Value

To find out how a stock will affect the DJIA index, the stock price changes with the divisor (divisor) current. As an illustration, if the shares of General Electric rose $ 5, divide by 0.14418073, which will resulting in figure 34.68. Therefore, if the DJIA index rose 100 points on the day, GE accounted for a gain of 34.68 points.

2.3.6 Index Calculation Method

Dow Jones index calculation methodology known as price-weighted method. Although it can adjust the split stocks, the shortcomings of this method is no reflection of that change in U.S. $ 1 for a stock at a price of U.S. $ 10 is more significant (in terms of percentage) than U.S. $ 1 change in stock price of U.S. $ 100. Because of these problems, the majority of other major indexes, such as the S & P 500, calculated by market capitalization weighted method.

2.4 Composite Stock Price Index (CSPI)

Composite Stock Price Index or the Composite Stock Price Index (CSPI) is a value used to measure the job performance of stocks listed on a stock exchange.

There are two methods commonly used calculation JCI (Robert Ang, 1997):

a. Method Average (Average Method)

Is a method whereby the market price of the shares included in the index were summed and then divided by a divider factor.

\[ \text{JCI} = \frac{\sum \text{PS}}{\text{Divisor}} \]

Description:

- JCI = Composite Stock Price Index
- \( \sum \text{PS} \) = Total stock price
- Divisor = base price of shares

Sources: [www.idx.co.id](http://www.idx.co.id)

b. The weighted average method (Weighted Average Method)

Is a method that adds weight in the calculation of indices in addition to the market price of listed stocks and shares the basic price. Weighting is done in the calculation of the index in general is the number of shares issued. There are two methods to calculate the weighted average method:

1) Paasche

This method compares the market capitalization of all stocks with a base value of all shares suspended in an index. In this case the greater the capitalization of a stock, it will cause a huge influence in the event of changes in stock prices are concerned.

2) Laspreyes

This formula uses the number of shares issued on the basic and unchanging forever despite spending new shares.

IDX or IDX CSPI CSPI CSPI is issued by the BEI. JCI IDX is taking a day basis on August 10, 1982 and include all stocks listed on the Stock Exchange. JCI Stock Exchange was first introduced on April 1, 1983 which are used as indicators to monitor the movement of stocks. This index covers all common shares and preferred shares on the Stock Exchange. Calculation method used is the weighted average method of Paasche (Robert Ang, 1997).

Since the date of December 1, 2007, Jakarta Stock Exchange Surabaya Stock Exchange merged with the Indonesia Stock Exchange. Therefore, later changed to the JSE stock index stock index Stock Exchange since the merger.

III. RESEARCH METHOD

1. Literature Study

Literature study carried out by reading the literature on inflation, SBI and bank performance. In addition, do a search on the Internet on inflation data, SBI and bank performance.

2. Observation

Observations made in the form of behavior observation that is by taking a secondary data contained in the Bank Indonesia (BI) and [www.djindexes.com](http://www.djindexes.com) website, then analyze the data.

3. Deduction

Once the analysis has been completed, then the deduction made by drawing conclusions from the data analysis done earlier.

IV. DISCUSSION

This study uses secondary data obtained from the website of Bank Indonesia ([www.bi.go.id](http://www.bi.go.id)) and [www.djindexes.com](http://www.djindexes.com). The
data will be used in this study is Bank Indonesia Certificates (SBI), the rupiah exchange rate against the dollar and the Dow Jones industrial average (DJI). Observational data taken from SEKI (Economic and Financial Statistics Indonesia) and the Dow Jones industrial average data with time series data from 2003 to 2010 are calculated on a monthly basis. The population in this study is Composite Stock Price Index (CSPI) on the Indonesia Stock Exchange that traded January 1, 2003 till June 30, 2010. Variables used in this study are:
1. Dependent variable / dependent (Y), i.e. variables that are affected by the variable X is Y = Composite Stock Price Index (CSPI).
2. Free variables / Independent (X), i.e. variables that affect Y is:
   a. X1 = Bank Indonesia Certificates (SBI)
   b. X2 = The rupiah
   c. X3 = DJI
Explanation of each variable are as follows:
1) Bank Indonesia Certificates (X1). Securities denominated in Euro issued by Bank Indonesia in recognition of short-term debt.
2) The rupiah (X2). The rupiah / US $ indicates the value of U.S. dollars which translated to Rupiah.
3) Dow Jones Index (X3) obtained an index of all stocks listed on the American Stock Exchange (AMEX) within a specified time.
4) Dependent variable in this study is Composite Stock Price Index / JCI (Y). Indices obtained from all stocks listed on the Stock Exchange within a certain time.

In this study, the analysis performed by multiple linear regression analysis and developed a model specification that will serve as a research model is: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$

4.1 Effect of SBI on Composite Stock Price Index (CSPI).
Partially influence of SBI against Composite Stock Price Index (CSPI) can be done by comparing the amount of p-value in column sig with a significant level of 0.05 or compare t count (column t) with t table with the criteria of acceptance and rejection of the proposed hypothesis.

To test the hypothesis of the effect can be partially known by looking at the coefficients table (Table 4.1) below.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std Error</td>
<td>Beta</td>
<td>t</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-4720.754</td>
<td>778.390</td>
<td>-6.680</td>
</tr>
<tr>
<td>SBI</td>
<td>-0083.370</td>
<td>2012.829</td>
<td>-0.309</td>
<td>-4.399</td>
</tr>
<tr>
<td>KUR</td>
<td>0.466</td>
<td>0.095</td>
<td>0.405</td>
<td>7.666</td>
</tr>
<tr>
<td>DJI</td>
<td>0.246</td>
<td>0.024</td>
<td>0.508</td>
<td>7.230</td>
</tr>
</tbody>
</table>

Based on table 4.1, derived variable SBI has a value p-value 0.000 in column sig <0.05 level of significant ($\alpha$), that is significant, while t count -6.080 <2.000 from the t table (calculated from two-tailed $\alpha = 0.05$ df-k), df = 90-3 = 87, meaning that significant. Significant here means H1 Ho1 accepted and rejected. That SBI partially affect the CSPI.

4.2 Effect of Exchange Rate on Stock Price Index (CSPI)
Effect of exchange rate partially to the CSPI can be done by comparing the amount of p-value in column sig with a significant level of 0.05 or compare t count (column t) with t table with the criteria of acceptance and rejection of the proposed hypothesis. To test the hypothesis of the effect can be partially known by looking at the coefficients table (Table 4.1). Based on Table 4.1, obtained by exchange rate variable has a value p-value 0.000 in column sig <0.05 level of significant ($\alpha$), that is significant, while t count 7055 <2.000 from the t table (calculated from two-tailed $\alpha = 0.05$ df-k), df = 90-3 = 97, that is significant. Significant here means H1 Ho1 accepted and rejected. This means that the exchange rate effect on stock index partially.

4.3 Effect of Stock Price Index (CSPI)
Effect of partial DJI against JCI can be done by comparing the amount of p-value in column sig with significant level of 0.05 or compare t count (column t) with t table with acceptance criteria and rejection of the proposed hypothesis.

To test the hypothesis of the effect can be partially known by looking at the coefficients table (Table 4.1). Based on Table 4.1, obtained DJI variable has a value p-value 0.000 in column sig <0.05 level of significant (\(\alpha\)), that is significant, while t count 7230 <2.000 from the t table (calculated from two-tailed \(\alpha = 0.05\) df -k, df = 90-3 = 97), that is significant. Significant here means Ha Ho1 accepted and rejected. Meaning DJI partially affect the CSPI.

4.4 Effect of SBI, on the DJI and Exchange Composite Stock Price Index (CSPI)

Test hypotheses about the influence of SBI, on the DJI and Exchange Composite Stock Price Index (CSPI) simultaneously (combined) carried out by comparing the amount of p-value in column sig with the level of significant F of 0.05 or compares count (column F) with F tables with acceptance criteria and rejection of the proposed hypothesis.

To test the hypothesis of a combined effect can be determined by looking at satisfaction with the MAS (table 4.2) below.

Table 4.2

<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>1</td>
<td>Regression</td>
<td>2.08E7</td>
<td>3</td>
<td>9625130.462</td>
<td>39.217</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>2.111E7</td>
<td>86</td>
<td>245434.647</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>4.998E7</td>
<td>89</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), DJI, KURS, SBI
b. Dependent Variable: I-36

Source: SPSS Output Calculation

Based on table 4.2, the obtained p-value 0.000 in column sig <0.05 level of significant (\(\alpha\)), meaning that significant, while the count 39 217 F> F table of 3.10, meaning a significant (df1 = 3-1 = 2 and df2 = 90-3 = 87). Significant here means Ha Ho accepted and rejected. That is the SBI, Currency and DJI jointly affect Composite Stock Price Index (CSPI).

4.5 Coefficient of Determination of SBI, on the DJI and Exchange Composite Stock Price Index (CSPI)

To find out how much the ability of independent variables can explain the dependent variable by looking at the coefficient of determination (R2). The coefficient of determination is a measure used to determine what percentage of fluctuation or variance of the dependent variable sautu can be explained by the independent variables. In other words this test is intended to determine the best level of accuracy in the regression analysis is expressed by the coefficient of multiple determination (R2). R2 = 1 means perfect influential independent variable on the dependent variable.

In SPSS output, the coefficient of determination lies in the Model Summary table and writing R Square. But for the best multiple linear regression using the adjusted R Square Adjusted R Square or, as adjusted by the number of independent variables used in the study.
Based on Table 4.3 Adjusted R Square values obtained determination coefficient of 0.563 or figure may be used to see the great influence of the SBI, Currency and the DJI to JCI combined, by calculating the coefficient of determination (KD) using the following formula:

\[ KD = \text{AdjR}^2 \times 100\% \]

\[ KD = 0.563 \times 100\% \]

\[ KD = 56\% \]

Then the conclusions obtained, the variability Composite Stock Price Index (CSPI) can be explained by using a variable SBI, Currency and DJI 56%, while the remaining 44% (100% - 56%) are caused by other variables outside the model.

IV. CLOSING

Based on this analysis several conclusions can be stated as follows:

1. Based on the partial regression analysis found that the SBI had a negative influence on the JCI, which means that the increase in SBI will lower the JCI. The increase in interest rates aggressively to strengthen the rupiah, but the composite stock price index (CSPI) will drop because investors prefer to save money in the bank, economic and investment weakened. BI! A rate rose slightly, JCI relatively stable

2. The results partially on a variable rate indicates that the exchange rate has a positive influence on stock index means that the increased rate of positive reaction from the market because in theory increase the exchange rate will be followed by increased JCI. Exchange coefficient is greater than the SBI show the relevance of exchange rate higher than the SBI so that it can be said in partial exchange rate can provide relevant information for investors as a basis for consideration of investment decisions.

3. The results partially on a variable indicates that the DJI DJI has a positive influence and has a significant influence on stock index, this suggests that the DJI data has information content if the visible impact on JCI. Significant influence is possible because investors use this information as a basis for decision making DJI invest. DJI greater relevance of the SBI and the exchange rate indicates that investors are better off using the information DJI than SBI and the exchange rate at the time will make an investment.

4. The results of this study shows simultaneously (combined) SBI information, exchange and DJI have an influence on IHSG. With approximately 56% of SBI, the rates and DJI have relevance and value are explanatory variables that are important for the development of the JCI, so the merger of SBI, the rates and DJI into a single assessment model will provide important information for investors.

REFERENCES


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