

ABSTRACT

This study aims to analyze the effect of fluctuations in macroeconomic variables Composite Stock Price Index (CSPI) in Indonesia Stock Exchange (BEI) during the period 2004-2011. Type of data used in this study is secondary data from time series data on stock index, GDP, exchange rate Rupiah to US\$, inflation and real interest rates in the period 2004-2011. Data were processed using SPSS version 11.5 for windows with multiple linear regression analysis method.

The results and the estimation of data through path analysis method shows that the ability of the model in explaining the dependent variable of 46,5%. The result indicates that only the inflation and exchange rate Rupiah to US\$ do not effect to Composite Stock Price Index, while real interest rates have a negative and significant effect on CSPI. Moreover, variable gross domestic product (GDP) has a positive and significant effect to CSPI. This indicates that the fluctuations in stock prices was largely influenced by macroeconomic variables.

Keywords: Composit stock price index (CSPI), GDP, exchange rate of Rupiah against the US\$, inflation and real interest rates.