

SUMMARY

Dewa Ayu Kartika Venska, 2014, The Effect of Global Stock Index (Dow Jones Industrial Average, Nikkei 225, Hang Seng, and Strait Times) on Jakarta Composite Index at Indonesian Stock Exchange period of 2010-2012, Supervisor: Prof. Dr. Suhadak, M.Ec and Dr. Siti Ragil Handayani, M.Si, 83+xxvii

This study was intended to know and analyze the fluctuations of the global stock price index and the correlation with Jakarta Composite Index at Indonesian Stock Exchange and also to find the proportion of the global stock markets effect in Jakarta Composite Index. The global stock markets represented by Dow Jones Industrial Average which represents USA stock-market, Nikkei 225 which represent Tokyo Japan stock-market, Hang Seng Index which represents Hong Kong stock-market, Strait Times Index which represents Singapore stock-market.

This is quantitative research and the research method used in this study was the explanatory method. The sampling data used are 36 months from the beginning year of 2010 until the end year of 2012. This research analyzing the influence of four global stock markets toward Jakarta Composite Index simultaneously and partially. The result of the study shows that simultaneously the stock price index of global stock markets has significant effect on Jakarta Composite Index, but in partially only Dow Jones Industrial Average, Nikkei 225, and Strait Times index has significant effect on Jakarta Composite Index, while only Hang Seng partially has no effect on Jakarta Composite Index.

Keywords: *DJIA, Nikkei, Hang Seng, Strait Times, JCI, IDX*