

**ABSTRACT**

**THE INFLUENCE OF POLITICAL STABILITY  
AND ECONOMIC FACTORS  
ON THE RUPIAH EXCHANGE RATE IN INDONESIA  
FOR THE 2003 – 2022 PERIOD**

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*This study aims to determine the effect of political stability index, BI rate, money supply and exports on the Rupiah exchange rate. The data used is secondary data, for the period 2003 – 2022 obtained from Bank Indonesia, World Bank, and Worldwide Governance Indicators. The analytical method used is multiple linear regression analysis, with hypothesis testing through partial tests (t test) and simultaneous test (F test). The results of his research show that: (1) Partially, the political stability index variable has an insignificant negative effect, while the BI rate and money supply variables have a significant positive effect, and the export variable has a significant negative effect on the Rupiah exchange rate in Indonesia. (2) Together the variables of political stability index, BI rate, money supply and exports have a significant effect on the Rupiah exchange rate variable in Indonesia. Then the result of the determination test showed that the variable political stability index, interest rate (BI rate), money supply, and exports had a large influence on changes in the variance of the Rupiah exchange rate by 92,49% and the rest was influenced by other factors outside the study.*

**Keywords:** *Exchange rates, political stability index, interest rate (BI rate), money supply, exports.*