



FACTORS AFFECTING GOLD PRICE IN INDONESIA

NURUL RAIHAN BINTI ZULKIFLEE

2015541139

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ABSTRACT

Gold is the precious things in the world among humanity. There are many factors that affect the Gold price in the world. The study is to observe about the selected factor that affect gold price in Indonesia. Gold Price is choose as the dependent variable. Meanwhile, there are three macroeconomic variables selected to act as an independent variable namely Interest Rate, Inflation Rate, and Exchange Rate. In this study, a time series analysis is conducted by utilizing secondary data monthly from January 2014 to December 2019. The data technique used was Descriptive Analysis, Test of Assumption, and Multiple Regression method.

The result identified that among the three independent variables in this study, it indicates that the Inflation Rate is positively significant with the Gold Price in Indonesia. However, the Interest Rate positively correlate with the Gold Price but not significant factors towards the Gold Price. The exchange rate have negatively significant towards Gold Price in Indonesia. The significant of the study will give benefits and acknowledge the community especially the investors and entrepreneurs.

As for the future research, the others microeconomics should be added with the longer time series observation. The data structure should be in quarterly or annually to get the accurate result.

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