



**THE FACTOR OF STOCK MARKET PERFORMANCE :
EVIDENCES FROM A MALAYSIA AND INDONESIA**

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ABSTRACT

This paper examines the determinants of stock market performance evidence from Malaysia and Indonesia. The selected macroeconomic variables are inflation rate, exchange rate, and crude oil price while representative stock index is Kuala Lumpur Stock index (KLCI) and the Jakarta Stock Composite Index (JKSE). In light of this, this research intends to bright the gap by examining the factors that affect the stock market performance in a developing country namely in Malaysia and Indonesia. Using several tests which is descriptive analysis, stationary test by Augmented Dickey-Fuller (ADF) Test, correlation test, regression analysis and test on the assumption for all the data on monthly basis from January 2017 to September 2019. By adopting their empirical model, there is the existence of a relationship between selected macroeconomic variables and Malaysia's stock market and Indonesia stock market. Moreover, the results showed consistent with existing studies. This paper has contributed new evidence proven to the existing research studies and provides a clearer view on the Malaysian stock market and Indonesia stock market to investors as well as government bodies.

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