

## **ABSTRACT**

*Thesis entitled "The Influence of Inflation, Exchange Rate, BI-7 Days Repo Rate, and World Oil Prices on Indonesian Sharia Stock Index Market Capitalization (ISSI) Period 2018-2021" was written by Nour Mifthaqul Jannah NIM 12406193043, Islamic Financial Management Study Program, Department of Business and Management, Faculty of Islamic Economics and Business, Sayyid Ali Rahmatullah Tulungagung State Islamic University who was mentored by Nadia Roosmalita Sari, S.Pd., M.Kom.*

*This research is motivated by the Indonesian Sharia Stock Index (ISSI), which is an indicator of the performance of the Islamic stock market in Indonesia. The high or low market capitalization of the Indonesian Sharia Stock Index (ISSI) can be influenced by several macroeconomic factors such as inflation, the exchange rate, the BI-7 days repo rate, and world oil prices.*

*The purpose of this study is to analyze the effect of 1) inflation, exchange rate, BI-7 days repo rate, and world oil prices on the market capitalization of the Indonesian Sharia Stock Index (ISSI) for the 2018-2021 period, 2) inflation on the market capitalization of the Indonesian Sharia Stock Index (ISSI) period 2018-2021, 3) exchange rate to market capitalization of the Indonesian Sharia Stock Index (ISSI) period 2018-2021, 4) BI rate to market capitalization of the Indonesian Sharia Stock Index (ISSI) period 2018-2021, and 5) oil prices world on the market capitalization of the Indonesian Sharia Stock Index (ISSI) for the 2018-2021 period. The data used in this study is secondary data with 48 samples obtained from the websites of the Financial Services Authority (OJK), Bank Indonesia, the Central Statistics Agency (BPS), and Investing.com for 2018-2021.*

*This study uses a quantitative approach to the type of associative research. Sampling with purposive sampling technique. The analytical method used is the classical assumption test (normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test), and multiple linear regression analysis, hypothesis testing, and coefficient of determination test with the analytical tool SPSS version 25.0.*

*The results of the study show that 1) inflation, exchange rates, BI rate, and world oil prices simultaneously have an influence on market capitalization of the Indonesian Sharia Stock Index (ISSI), 2) inflation has no significant effect on market capitalization of the Indonesian Sharia Stock Index (ISSI), 3) the exchange rate has a significant negative effect on the market capitalization of the Indonesian Sharia Stock Index (ISSI), 4) the BI rate has a significant positive effect on the market capitalization of the Indonesian Sharia Stock Index (ISSI), 5) world oil prices have a significant positive effect on the market capitalization of the Islamic Stock Index Indonesia (ISSI).*

**Keywords:** *Market Capitalization, ISSI, Inflation, Exchange Rate, BI-7 Days Repo Rate, and World Oil Prices*