V. CONCLUSION AND IMPLICATION

A. Result Conclusion

Based on the results shown in the previous section, this research can be concluded as follows;

1. USD/IDR exchange rate has a negative significant effect towards the JCI price movement during the period of U.S. quantitative easing in 2008-2014.
2. Certificate of Bank Indonesia (SBI) interest rate has no significant effect towards the JCI price movement during the period of U.S. quantitative easing in 2008-2014.
3. Inflation has a positive significant effect towards the JCI performance during the U.S. quantitative easing in 2008-2014.
4. Gross Domestic Product (GDP) has a positive effect towards the JCI price movement during the period of U.S. quantitative easing in 2008-2014.

B. Implications

1. Theoretical Implications

   These findings will contribute to the future research as an additional reference regarding the development of stock market in aggregate economy point of view. Several factors taken from macroeconomic fundamentals such as the exchange rate, inflation, interest rate, and GDP to express the impact of an international phenomenon, called as Federal

Reserve Quantitative Easing, in 2008-2014 towards the performance of Indonesian stock market reflected by Jakarta Composite Index.

However, this research has not analyzed the extent to which the phenomenon of Fed QE in the U.S. directly influence Indonesian stock market in term of comparing each other state's stock market and the announcement of the QE itself. It is important to the future researchers to take a look at the phenomenon through the dummy variable or the money supply factors of Federal Reserve to Indonesian stock market. Other macroeconomic and microeconomic factors also important to be analyzed in the future research regarding with this phenomenon.

2. Practical Implications

Investors perceptions toward the information occurred in the market are quite sensitive. Several factors, including the macroeconomic and microeconomic fundamentals, have introduced the stock valuation and risk management to investors. It is important to note that an economic factor occurs in another country, especially the advanced countries such as U.S., U.K., European countries, etc., is also an information for investors to be careful in anticipating the market conditions.

The phenomenon of Fed QE is also essential for the government to consider several monetary and fiscal policy determination that will be implemented based on the financial market conditions in order to create a stable investment. This particular monetary policy conducted by the

Fed will not be just a trend in the given time of this research, but also can possibly occur in the future.