

ABSTRACT

The purpose of this research is to be able to analyze the response of Foreign Exchange Reserves in Indonesia to exchange rate shocks, trade openness (TO), foreign direct investment (FDI), inflation in 2015-2022. The data used in this study is in the form of quarterly time series data from 2015 to 2022. This study uses a quantitative approach with the Vector Error Corrections Model (VECM) analysis method. The data analysis techniques used are: Unit Root Test, Optimum Lag Determination, Cointegration Test (Johansen Cointegration Test), VECM Test in the long and short term, Impulse Response Function (IRF) Test, and Variance Decomposition (VD) Test. The results of this study indicate that foreign exchange reserves respond negatively to the exchange rate, foreign exchange reserves respond negatively to trade openness, foreign exchange reserves respond positively to foreign direct investment, and foreign exchange reserves respond negatively to inflation.

Keywords : *Foreign Exchange Reserves, Exchange Rate, Trade Openness, Foreign Direct Investment, Inflation, ISSI, Inflation, Vector Error Corrections Model (VECM)*

ABSTRAK

Tujuan dalam penelitian ini yaitu untuk dapat menganalisis respon Cadangan Devisa di Indonesia terhadap guncangan kurs, *trade openness* (TO), *foreign direct Investment* (FDI), Inflasi Tahun 2015-2022. Data yang digunakan dalam penelitian ini berupa data time series triwulanan yaitu dari tahun 2015 hingga tahun 2022. Penelitian ini menggunakan pendekatan kuantitatif dengan metode analisis *Vector Error Corrections Model* (VECM). Teknik analisis data yang digunakan yaitu : *Unit Root Test*, Penentuan Lag Optimum, Uji Kointegrasi (*Johansen Cointegration Test*), Uji VECM dalam jangka panjang dan pendek, Uji *Impuls Response Function* (IRF), dan *Uji Variance Decomposition* (VD). Hasil pada penelitian ini menunjukkan bahwa cadangan devisa merespon secara negatif terhadap kurs, cadangan devisa merespon negatif terhadap *trade openness*, cadangan devisa merespon positif terhadap *foreign direct investment*, dan cadangan devisa merespon negatif terhadap inflasi.

Kata Kunci : Cadangan devisa, Kurs, *Trade Openness*, *Foreign Direct Investment*, Inflasi, ISSI, Inflasi, *Vector Error Corrections Model* (VECM)