ABSTRACT

This study examines how the information transfer affects the stock markets of both home and abroad. This data is analyzed for the selected period 2010-2020 using 10 years of stock price data from Indonesia, the US, China and Singapore. To support the study, unit root tests and cointegrations were used to determine the appropriate model for the VAR models. The hypothesis is then tested using the Granger Causality Test, Impulse Response Test, and Variance Decomposition are contradict. So VAR results are slightly different, but in the end the results are not enough. The results showed that the US have spillover effect but still not clear if the US market influence positively or negatively to Indonesia market.

Keywords : information transfer, VAR, co-integration

ACKNOWLEDGEMENT

Praise to God for His blessings that has enabled me to finish this thesis, untitled "THE INFORMATION TRANSFER AMONG THE USA, CHINA, SINGAPORE AND INDONESIA STOCK MARKET". This thesis was written and proposed to fulfill one of the requirements to obtain Bachelor Degree in Economics at University of Pelita Harapan.

I want to thank people who were involved directly or indirectly to support me, so I can finish this thesis on time. In this regard, I would like to thank :

1) Gracia Shinta S. Ugut, MBA., Ph.D. as Dean of Faculty Economics.
2) Ms. Isana S.C Meranga, S.P., M.M, as Head of Management Study Program.
3) Liza Handoko, S.E., M.M., as my Supervisor. Thank you for your support, time, and knowledge. Thank you for guiding me patiently.
4) All the lecturers who have taught and gave me knowledge during my study in University of Pelita Harapan.
5) All the staff members in Faculty of Economics who have helped me with any administrative process.
6) All the librarians who have helped me since the beginning until the graduation.
7) My dear father, mother, and brother for all the supports, prayers, and loves.
8) My dear friends, Lee, Chun, Koo, Steven, Sharon, Park, Joshua, Jung, and Kim who have been together through hard time, very supportive and helpful to each other.