

## ABSTRACT

Investment is a crucial point to reduce the probability for the economic growth to drop or increase the economic growth of Indonesia. The role of investment is a crucial point to be able to prevent a lower decline or even increase economic growth. Gold as the most popular from among the precious metal and commodities that used as an investment is also one of the most common investment tool that used by the Indonesia population that have an investment or create their portfolio policy statement

Gold Investment is one of right choice which can avoid risk caused of low economic development and inflation that cause decreasing of Rupiah. In making decision to invest gold, we need to give attention for gold price fluctuation so that gold price can be predicted. Then, we need to give attention for factors that influence gold price. Some gold investment observers declared that gold investment is influenced by interest rate, inflation, oil price, dollar exchange rate, and IHSG. The destination of this research is analyzing influence of gold price determinant factors toward gold price with using secondary data using monthly period during January 2008 until December 2018. This secondary data is in the form of documentary data in the form of journals, program report forms, and research result obtained from Bank Indonesia (dollar to rupiah exchange rate and BI interest rate data), World Gold Council (gold price data), Investing.com (oil price data and IHSG) and Central Statistic Agency (inflation data).

This research is using multiple linear regressions to analyze the data. The result from analysis confirms that BI Interest rate and dollar to Rupiah exchange rate has significance to Gold price, where BI interest rate has a positive relationship and dollar to rupiah exchange rate has a negative relationship. Oil price and IHSG has no significance to change of gold price based on the data analysis, where Inflation rate has significance to gold price at probability of 0.1 with a negative relationship to gold price based on the research.

**Keywords: dollar to rupiah exchange rate, gold price, inflation, oil price, IHSG, and BI interest rate.**