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In short-term and long-term, variable shock in monetary approach (difference growth of M2, deposit rate difference, difference of inflation, and difference growth of PDB) can influence exchange rate of Rp/USD. This research aim to see influence in monetary approach variable to exchange rate of Rp/USD and to see impact of shock of variable in monetary approach to exchange rate of Rp/USD, and also see how big contribution of variable in monetary approach to exchange rate of Rp/USD. This research use quantitative analysis with method of granger causality test and VECM. Data the used is series quarterly of year 2000 until 2007

Result of causality test of Granger indicate that between difference variable growth of M2, deposit rate difference, difference of inflation, difference growth of PDB, and exchange rate have relation direction which different each other. Result of processing of VECM, can be seen from responses impulse and of variance decomposition. From result of responses impulse known that exchange rate respon of monetary approach variable shock do not so fluctuatif and even tend to stable. Than result of decomposition variance known that inflation difference shock contribution to exchange rate is biggest.

Keyword : M2, Deposit Rate, Exchange Rate, Inflation, PDB, Causality Granger Test, Impulse Response, Variance Decomposition