

## **ABSTRACT**

*Financial inclusion has an important role in financial system stability. Limited access to financial services is an obstacle for the community to access formal financial institutions so that financial inclusion is needed to realize a financial system that is more efficient and accessible to the public.*

*This study aims to analyze the effect of financial inclusion, inflation and GDP per Capita on financial system stability in developing Asia Pacific countries. This study uses quantitative descriptive analysis, where descriptive analysis describes the conditions of financial inclusion in each country using the Financial Inclusion Index. In the quantitative analysis, panel data regression method will be used using the FEM model.*

*The results of the analysis show that both financial inclusion and inflation have a significant positive effect on financial system stability, while GDP per Capita has no effect on financial system stability.*

*Keyword: Financial inclusion, financial system stability, inflation, GDP per Capita.*