

ABSTRACT

Sharia stock market is one of the interesting topic in the stock market industry nowadays . This is because of the growth of world's muslim population. Sharia stock investor can takes advantage of investments in existing sharia stock index on stock exchanges in their respective countries. Utilizing the investment can be done with international diversification by investing Sharia shares not only in one country but in other countries. International diversification is more appropriate to do the integration of sharia stocks of the world. It means there is a relationship between sharia stock market in a country to the sharia stock market of the countries. Sharia share price movements can be affected by several factors, one of them is the world crude oil price. This is because in the stock index of sharia there are mining companies that can affect the stock price of sharia.

The sample population used in this study is the world sharia stock price (Indonesia, Malaysia, United States, United Kingdom, Japan) with world crude oil price in 2012-2016. The sample is taken by purposive sampling method. The method used is *Dynamic Conditional Correlation Multivariate-GARCH* (DCC M-GARCH) using Eviews 9 and OxMetrics analysis tools.

The result of the research indicate that there is world sharia stock prices (Indonesia, Malaysia, United States, United Kingdom, Japan) significant with world crude oil price. It can explain that there is an integration relationship between world sharia stock market with world crude oil price.

Keywords: syaria stocks integration, syaria stock price, world crude oil price, *Dynamic Conditional Correlation Multivariate-GARCH* (DCC-MGARCH).