

ABSTRACT

The level of Islamic financial literacy is at a score of 8.93%, this is relatively low considering that Indonesia is a country with a population of around 232.5 million people with a level of Islamic financial literacy (31.5%), smaller than conventional financial literacy (67,1%). To overcome this, OJK is trying to increase the literacy index with the Indonesian Financial Services Sector Master Plan (MPSJKI) 2021-2025. Therefore, this study aims to determine the effect of Islamic financial literacy on the financial behavior of Islamic economics students at Diponegoro University.

The population in this study were Diponegoro University students. The sample is 100 respondents with a purposive sampling approach. The data collection method used in this study was a questionnaire. Analysis of the data used is descriptive analysis and simple linear regression analysis.

The results of the analysis show that Islamic financial literacy has a positive and significant effect on the financial behavior of Islamic economics students. Islamic economics students have an average Islamic financial literacy on the subjective knowledge dimension about sharia compliance of 21.52 and for the subjective knowledge dimension about usury and profit sharing of 17.22. Islamic economics students have an average financial behavior on the dimension of saving behavior of 15.68, the dimension of spending behavior of 11.85, the dimension of long-term financial behavior of 23.45, and the dimension of short-term financial behavior of 24.28.

Keywords: *Islamic financial literacy, financial behavior, Islamic economics*