

## ABSTRACT

*The economic growth of Central Java Province ranks the lowest In Java. Foreign direct investment is one of the important financing in economic development and to accelerate economic growth. The realization of FDI in Central Java tends to increase, but the value is still low when compared to other provinces in Java. The purpose of this research is to find out and analyze whether the Gross Regional Domestic Product (GRDP), Human Development Index (HDI), Trade Openness and Interest rate influence toward foreign direct investment in Central Java Province in the year of 2001 – 2020 partially or simultaneously.*

*This study uses a multiple regression model with simple least squares method (Ordinary Least Square). The data which is used are the secondary time series data, foreign direct investment data obtained from DPMPTSP, HDI, GRDP and trade openness from Badan Pusat Statistik, interest rate from Bank Indonesia.*

*The research results show that GRDP has a positive and significant effect on foreign direct investment, HDI has a negative effect on foreign direct investment, trade openness has no effect toward foreign direct investment, the interest rate has some disadvantages and significant toward foreign direct investment in Central Java Province. The F-statistic significance value 0,004 with a significance level (0,05) colletively the variables of GRDP, HDI, trade openness and interest rate influence significantly toward investment in Central Java. Whereas the determination coefficient  $R^2$  that is 0,616, which means that 61,6% of foreign direct investment can be explained by the GRDP, HDI, trade openness and interest rate.*

*Keywords: Foreign Direct Investment, Gross Regional Domestic Product, Human Development Index, Trade Openness, Interest rate*