

ABSTRACT

In the modern world, which is marked by the development of increasingly advanced and sophisticated technology, society is also experiencing changes in all aspects, especially in the economic field, namely the payment system. The shift in society from a cash payment system to a non-cash payment system certainly affects the circulation of money in the community. The increase in card and electronic transactions, it will automatically reduce the use of real money (amount of money circulating in a narrow meaning), reduced money supply in the community will affect the movement of the rupiah exchange rate against foreign currencies, especially the US Dollar.

So this study aims to determine the impact of the use of non-cash payments on the Rupiah Exchange Rate through amount of money circulating in a narrow meaning. This type of research is quantitative research, with the data source is secondary data. The analytical method used in this research is Path Analysis with the dependent variable used is Rupiah Exchange Rate, the independent variable used is Debit Card Volume and Electronic Money Volume, and the intervening variable is amount of money circulating in a narrow meaning. The time period used is 2017 to 2020. The results show that partially Debit Card Volume and Electronic Money Volume have a significant effect on the Rupiah Exchange Rate and for model II shows the results of Debit Card Volume, Electronic Money Volume, and Rupiah Exchange Rate have a significant effect. to amount of money circulating in a narrow meaning

keywords: Rupiah Exchange Rate, Debit Card, Electronic Money, Path analysis