ABSTRACT

This study aims to analyze the impact of inflation, exchange rate, foreign direct investment (FDI), and terms of trade on Indonesia's non-oil and gas export value during the period 1992-2022. The data used were sourced from BPS and the World Bank, analyzed using a time series regression method to understand the relationship between macroeconomic variables and non-oil and gas export.

The results of the study indicate that inflation does not have a significant effect on non-oil and gas exports, meaning that domestic price fluctuations do not directly influence the competitiveness of Indonesian products in international markets. Conversely, exchange rates show a significant positive effect on exports, where the depreciation of the Rupiah enhances the price competitiveness of export products. Foreign Direct Investment (FDI) has a significant positive impact, contributing to increased production capacity and efficiency in the non-oil and gas sector. Additionally, terms of trade demonstrate a significant positive effect, where improvements in the export-to-import price ratio positively influence Indonesia's international trade value.

This study provides strategic insights to support the growth of non-oil and gas exports, particularly through policies to control inflation, stabilize exchange rates, optimize foreign investment, and enhance terms of trade. These findings emphasize the importance of macroeconomic stability in improving the global competitiveness of Indonesian products.

Keywords: *Non-oil and gas exports, inflation, exchange rate, FDI, terms of trade*