

## **ABSTRACT**

*The 2008 Global Financial Crisis and the COVID-19 pandemic represent major economic crisis addressed by The Federal Reserve (The Fed), the central bank of the United States, through the implementation of quantitative easing policies. These measures were intended to stimulate economic recovery, as reflected in the movement of stock price indices worldwide. In Indonesia the Jakarta Composite Index (IHSG) has also been influenced by these crises and the enactment of quantitative easing. Additional macroeconomic variables—including the Indonesian rupiah to US dollar exchange rate, the volatility index (VIX), the United States stock index (S&P500), and Indonesia's GDP—have likewise affected the IHSG over the period from 2007 to 2023.*

*This study employ a quantitative approach utilizing error correction model (ECM) regression analysis. Data were collected using purposive sampling of quarterly observations spanning 2007:Q1 to 2023:Q4, sourced from the Bloomberg platform to ensure data accuracy.*

*The result indicated that, in the short-term, the Fed's total asset—used as a proxy for quantitative easing—exert a significant negative impact on the IHSG. Similarly, the exchange rate of the Indonesian rupiah against the US dollar and the volatility index (VIX) have significant negative effects on the IHSG. In contrast, the S&P500 index and Indonesia's GDP exert positive but statistically insignificant on the IHSG.*

**Keywords:** *IHSG, Quantitative Easing, The Fed's Total Asset, Exchange Rate, VIX, S&P500, GDP, Global Financial Crisis, COVID-19 Pandemic*

