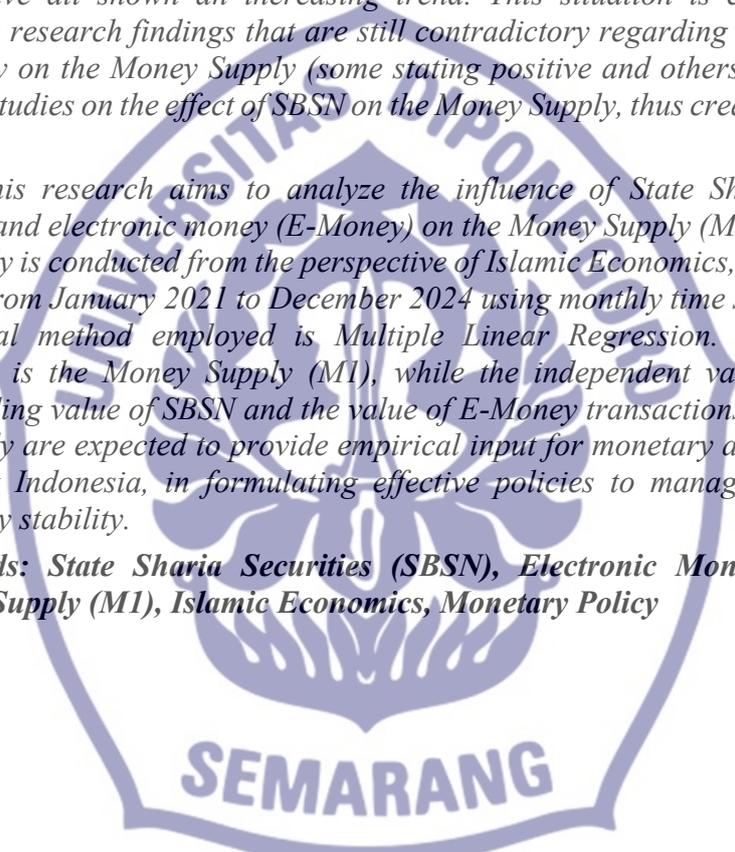


## **ABSTRACT**

*The development of the Islamic fiscal instrument, namely State Sharia Securities (Surat Berharga Syariah Negara/SBSN), and the rapid growth in the use of electronic money (E-Money) have created new dynamics in Indonesia's monetary system. Theoretically, SBSN serves as a liquidity absorption instrument, while E-Money is believed to accelerate the velocity of money. However, empirically, the value of SBSN, E-Money transactions, and the Money Supply (M1) have all shown an increasing trend. This situation is compounded by previous research findings that are still contradictory regarding the influence of E-Money on the Money Supply (some stating positive and others negative), and limited studies on the effect of SBSN on the Money Supply, thus creating a research gap.*

*This research aims to analyze the influence of State Sharia Securities (SBSN) and electronic money (E-Money) on the Money Supply (M1) in Indonesia. The study is conducted from the perspective of Islamic Economics, focusing on the period from January 2021 to December 2024 using monthly time series data. The analytical method employed is Multiple Linear Regression. The dependent variable is the Money Supply (M1), while the independent variables are the outstanding value of SBSN and the value of E-Money transactions. The results of this study are expected to provide empirical input for monetary authorities, such as Bank Indonesia, in formulating effective policies to manage liquidity and monetary stability.*

**Keywords:** *State Sharia Securities (SBSN), Electronic Money (E-Money), Money Supply (M1), Islamic Economics, Monetary Policy*



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