

## **ABSTRACT**

*Investment in capital market is an alternative for community in saving their funds. Capital market sensitivity to variety information both from inside and outside corporate environment makes investors should be careful in determining the choice of financial instruments and which sector is good to invest. Finance sector is one of industrial sectors that should be considered by the investor because it's good growth. This study aims to analyze the effect of inflation rate, BI Rate, Rp/US\$ exchange rate, and world gold price to finance sector stock price index in Indonesia Stock Exchange during January 2010 until December 2014.*

*The sample used in this study are secondary data consist of monthly closing price of finance sector stock price index. This study used multiple linear regression analysis using SPSS 20 application. Hypothesis test used using t-test to test the effect of independent variabel to dependent variabel individually. F-test will be used to test the effect of dependent variable simultaneously in 5% significant level.*

*The results of this study indicate that only exchange rate that have negative and significant effect to finance sector stock price index. While, inflation rate, BI Rate, and world gold price has no significant effect to finance sector stock price index.*

*Keywords: Inflation Rate, Interest Rate, Exchange Rate, World Gold Price, Stock Price Index, Finance Sector*