

ABSTRACT

This research aimed to analyze the effect of ASEAN China Free Trade Agreement (ACFTA) to the financial performance of UKM textiles at Pekalongan. With the dependent variable was financial performance and independent variable was ASEAN China Free Trade Agreement (ACFTA). Financial performance of the UKM textile in this research were measured by comparing the sales levels before and after the ACFTA.

In this research, the primary data were gathered using questionnaire. The population are the UKM textiles at Pekalongan, with several samples were taken to represents this research. The numbers of samples were based on Slovin's formula.

The method of this research was using Paired Sample T Test. The results shows that there are significant differences on financial performance that can be seen from the sales level. The sales level were increased after the ACFTA compared to the period of January until April, the implementation of ACFTA did not have negative effect on the financial performance of UKM textile.

Keywords: financial performance, sales, ACFTA