

ABSTRACT

This research analyzes the Islamic Financial Sector variables on Indonesia's National Income. Sharia financial sector variables consist of sharia stock index, sharia mutual funds, sharia obligation, and sharia banking. The Indonesian National Income Variable uses data on Indonesia's Gross Domestic Product. This research uses ARDL method (Auto regression Distributed Lag) that can measure variations in the short or long term either partially or simultaneously.

This study uses quarterly data obtained from Sharia Stocks, Sharia Mutual Fund, Sharia Sukuk, and Sharia Banking from the Financial Services Authority. Meanwhile, the Indonesia's Gross Domestic Product data is obtained from the Ministry of Trade from January 2011 to December 2018.

Partial research results show that, in the short term, Islamic Stocks and Islamic mutual Funds have a negative impact to the Gross Domestic Products, while sukuk and Islamic Banking have no impact to the Gross Domestic Product. In the long term, Gross Domestic Products are not affected by Islamic stocks and mutual fund but affected by sukuk and Islamic banking. Specifically, in the short term and long term, Gross Domestic Products are not affected by Islamic financial sector.

Keywords: Sharia Stock Index, Sharia Mutual Funds, Sharia Bonds, Sharia Banking, Gross Domestic Product.