

ABSTRACT

Investors in investing will observe the factors that affect their investment activities, both macroeconomic and microeconomic factors because they affect the returns on shares received. In addition, macroeconomic and external factors have an indirect effect on a country's economic development through the capital market. This research was conducted with the aim of examining the effect of the West Texas Intermediate (WTI) oil price shock and inflation on stock returns from the ASEAN-3 capital market.

The countries used as research objects were Indonesia, Thailand and the Philippines. The data used are monthly capital market data from three countries from 2015 to 2019. The analysis technique used in this research is multiple linear regression with a linearity test step, then a classic assumption test consisting of normality test, multicollinearity test, autocorrelation test, and test. heteroscedasticity. Then, testing the hypothesis using the t test, F test and the coefficient of determination (R²).

The results show that the WTI type oil price shock has a significant effect on stock returns on the JASICA Mining index and the SET Resources index. Then, inflation in the State of Indonesia has a significant effect on stock returns on the JASICA Mining index. Then, inflation in the State of Indonesia has a significant effect on stock returns on the JASICA Mining index. The test results of the coefficient of determination (R²) on the JASICA Mining index show a value of 13.10%, so as much as 86.90% is influenced by variables other than oil price shock and Indonesian inflation. Then, the SET Resources index shows a value of 23.45%, while the remaining 76.55% is influenced by variables other than oil price shock and inflation in Thailand. Finally, the PSE Mining and Oil index has a value of 4.36% while 95.64% is influenced by variables other than oil price shock and inflation in the Philippines.

Keywords : Oil price shocks, WTI, Inflation, Stock Returns, Sectoral Indexes, ASEAN-3