**“Rupiah Exchange Rate: The Determinants and Impact of Shocks on the Economy”  
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**Submission of a manuscript to the Jurnal Ekonomi & Studi Pembangunan**

(24 February 2023)

Dear Editor of Jurnal Ekonomi & Studi Pembangunan,

We wish to submit an original research article entitled “Rupiah Exchange Rate: The Determinants and Impact of Shocks on the Economy” for consideration by Jurnal Ekonomi & Studi Pembangunan.

We confirm that the paper is our own work.

In this paper, we report a brief description, analysis, and suggestion about the rupiah against US Dollar (IDR/USD) condition through its determinants. We also analyze the shocks that happen on the IDR/USD exchange rate toward its impats on the economy which represented by financial sector, stocks market, assets price, and general further (expected) price. About the determinants, this study focused on monetary variables such interest rate, open market operation, money supply, inflation, expected inflation, and foreign exchange reserves. Then, about the impacts, proxied on banking credit volume, stock transaction volume, residential property price index, and expected inflation. Our novelty in this study are at the variable and the method. Expected Inflation are rarely used in another research at the same topic. The incorporation of ARDL-VAR made this research provide more comprehensive explanation. We concern on this topics because rupiah exchange rate has bad historical condition after The Fed decide monetary policy by quantitave easing and interest rate in 2013. This policies being re-taken in 2022 to manage overheating economy due to post Covid-19 crisis. Therefore, the analysis about exchange rate are important to do due that re-taken policy. Our analysis are focused on 2014 – 2022 period. This study will contribute both theoretically and practically because result of the data processed not only interpreted descriptive, but also completed with policies recommendation.

Thank you for your consideration of this manuscript to be published on Jurnal Ekonomi & Studi Pembangunan.

Sincerely,



Erida Pratiwik