UNIVERSITAS
GADJAH MADA

Exchange rate exposure and ITS contribution on International portofolio: Indonesian perspectives
LANTASI, Kenthi Wirawati, Jogiyanto Hartono M., Prof.,Dr.,M.B.A
Universitas Gadjah Mada, 2010 | Diunduh dari http://etd.repository.ugm.ac.id/

TABLE OF CONTENTS

Preface ..... **i**

Table of Contents ..... **iv**

List of Tables ..... **viii**

Abstract ..... **x**

Intisari ..... **xi**

CHAPTER I Introduction **1**

I.1 Background 1

I.2 Problems Formulation 7

I.3 Objectives of the study 8

I.4 Benefits of the study 8

CHAPTER II Theoretical Background, Literatures Review and Hypothesis Development **10**

II.1 Theoretical Background 10

II.1.1 Portfolio: Markowitz's Mean-Variance Analysis 10

UNIVERSITAS
GADJAH MADA

Exchange rate exposure and ITS contribution on International portofolio: Indonesian perspectives
LANTASI, Kenthi Wirawati, Jogiyanto Hartono M., Prof.,Dr.,M.B.A
Universitas Gadjah Mada, 2010 | Diunduh dari http://etd.repository.ugm.ac.id/

II.1.2 Foreign Exchange Rate Exposure 14

II.2 Literatures Review and Hypothesis Development 19

II.2.1 Hypothesis Development 28

CHAPTER III Methods 31

III.1 Population and Sample 31

III.1.1 Sampling Selection Process 31

III.1.1.1 Period of the study 31

III.1.1.2 International Portfolio 33

III.2 Data 34

III.3 Variables and Operational Definitions 35

III.4 Model Specification 37

III.5 Statistical Test and Analysis 39

III.5.1 Descriptive Statistics 39

III.5.2 ANOVA (Analysis of Variance) or the F-Test 40

III.5.3 Individual testing of Hypothesis: t-test 41

III.6 Type of the Data and their Sources 41

UNIVERSITAS
GADJAH MADA
Exchange rate exposure and ITS contribution on International portofolio: Indonesian perspectives
LANTASI, Kenthi Wirawati, Jogiyanto Hartono M., Prof.,Dr.,M.B.A
Universitas Gadjah Mada, 2010 | Diunduh dari http://etd.repository.ugm.ac.id/

CHAPTER IV Hypothesis testing 42

IV.1 Descriptive Statistics 42

IV.2 Regression Analysis 43

IV.2.1 ANOVA test on the estimated Regression 45

IV.2.2 Test of the Individual Regression Coefficient 46

IV.3 Hypothesis testing: H-I 48

IV.3.1 ANOVA test on International Portfolio return 49

IV.3.2 Test of the Individual Regression Coefficient 50

CHAPTER V Summary, Conclusion, Discussion, Study limitations and Recommendation 52

V.1 Summary 52

V.2 Discussion 53

V.3 Conclusion 59

V.4 Study Limitations and Recommendation 60

Bibliography 62

Appendix-A: Data After Winzorising 66

UNIVERSITAS
GADJAH MADA

Exchange rate exposure and ITS contribution on International portofolio: Indonesian perspectives
LANTASI, Kenthi Wirawati, Jogiyanto Hartono M., Prof.,Dr.,M.B.A
Universitas Gadjah Mada, 2010 | Diunduh dari http://etd.repository.ugm.ac.id/

Appendix-B: Hypothesis testing output.....86