

## Abstract

*This study investigates the relationship between crude oil prices and the Indonesian stock market at the disaggregated level using monthly data from January 2000 to December 2019 under panel cointegration and panel Granger-causality framework. When considering the effects of cross-sectional dependence and multiple structural breaks, the panel cointegration relationship between the oil price and the Indonesian Stock market is confirmed at the disaggregated level. The long-run estimates suggest that the real oil price has a positive effect on the Indonesian stock market. The short-run panel granger-causality indicates the bidirectional short-run Granger-causality between the stock prices and the interest rate, and the stock prices and the exchange rate during 2000/1-2003/9, 2004/1-2006/9, and 2007/1-2008/6. There is also bidirectional short-run Granger-causality between the oil price and stock price, the stock price and the exchange rate, the oil price and interest rate, the oil price and the exchange rate, and the interest rate and the exchange rate during 2008/10-2019/12. The long-run Granger-causality shows the co-movements between the oil prices and the Indonesian stock market. Moreover, the result indicates that the co-movements intensify after the 2007-2008 global financial crisis.*

**Keywords:** *Co-movements, Stock Market, Crude Oil Prices, Indonesia, Panel Cointegration, Panel Granger-Causality*

## Intisari

Penelitian ini bertujuan untuk memahami pengaruh jangka panjang dari harga minyak mentah dunia terhadap harga saham sektoral Indonesia serta menangkap fenomena *co-movements* diantara dua pasar dengan studi kasus Indonesia pada periode Januari 2000 hingga Desember 2019. Estimasi dilakukan dengan menggunakan metode panel kointegrasi dan *panel granger-causality* dengan mempertimbangkan faktor *cross-sectional dependence* dan *multiple structural breaks* dan ditemukan adanya pengaruh positif harga minyak mentah terhadap pasar saham sektoral Indonesia. Hasil estimasi *Panel Granger-Causality* ditemukan adanya kausalitas jangka pendek dua arah antara harga saham dengan tingkat suku bunga dan harga saham dengan nilai tukar pada periode estimasi 2000/1-2003/9, periode 2004/1-2006/9, dan periode 2007/1-2008/6. Pada periode estimasi 2008/10-2019/12 ditemukan adanya kausalitas jangka pendek dua arah antara harga saham dan harga minyak, harga saham dan nilai tukar, harga minyak dan tingkat suku bunga, harga minyak dan nilai tukar, serta tingkat suku bunga dan nilai tukar. Pada uji kausalitas Granger jangka panjang ditemukan bahwa terdapat *co-movements* antara harga minyak mentah dunia dan pasar saham sektoral Indonesia. Lebih lanjut, ditemukan bahwa intensitas *co-movements* antara kedua pasar meningkat setelah peristiwa krisis finansial global tahun 2007-2008.

**Kata Kunci:** *Co-movements*, Pasar Saham, Harga Minyak Mentah, Indonesia, Panel Kointegrasi, *Panel Granger-Causality*.