

## ABSTRACT

Non-cash transactions in Indonesia has increased, in line with the National Movement of Non-Cash made by Bank Indonesia in efforts to reduce cash transactions that are considered less efficient. The increase in non-cash transactions will also have an impact on the velocity of money (the speed of rotation of money) that the velocity of money changing hands. Velocity of money is also due to the GDP and inflation

The data used in this study began in 2008 - 2015 are taken per month. Data analysis technique used is multiple linear regression analysis.

Based on this study obtained results indicate that the non-cash transactions, cash transactions, inflation does not have a partial effect on the velocity of money. GDP has only partial effect on the velocity of money. However, because the independent variables are correlated so that the non-cash transactions, cash transactions, GDP, and inflation has simlutan influence the velocity of money.

The results of data processing using multiple linear regression analysis only GDP and inflation have unidirectional relationship with the velocity of money. While the independent variables such as transaction Non-Cash and Cash Transaction others have no connection direction of the velocity of money.

Based on the results of this study can be concluded that there are significant simultaneously between the dependent and independent variables. But only a Gross Domestic Product that has a partial effect on the velocity of money. Others do not.

Keywords: non-cash transactions, cash transactions, GDP, inflation, velocity of money.