

ABSTRACT

In 2015, Indonesia is in a period of crisis in which the value of the rupiah against the Dollar weaken to 14,000 and the numbers continue to fluctuate with a tendency to weaken. In addition, the Jakarta Composite Index also decreased resulting in sektoral indices also fell. Such conditions lead to Food and Beverage companies which are in the manufacturing sektor consumer goods industry sub-sectors experiencing difficulties.

This study aims to discover how the influence of the fluctuation of the rupiah and the Jakarta Composite Index on the company's profitability as measured by ROE companies in the Food and Beverage industry.

The data in this study was obtained from secondary data obtained from the data source access via the internet, document tracking, and publication of information. Such data includes data Jakarta Composite Index, Rupiah exchange rate against the Dollar (RP / US \$) set by Bank Indonesia, and ROE of the sample companies in this study. Data analysis techniques used in this research is multiple data panel regression analysis with the exchange rate and Jakarta Composite Index as an independent variable and the Return On Equity as the dependent variable.

The result of this research shows that fluctuation of the rupiah and the Jakarta Composite Index has no significant effect on the company's profitability as measured by ROE companies in the Food and Beverage industry.

According to the result, the company should pay more attention to their performance, while investor should consider other factors such as company size and other ratios beside profitability ratio.

Keywords: Exchange Rate, JCI Fluctuations, Profitability, ROE