ABSTRACT

"**The Comparison Analyse Forecasting by Using ANNs Method and Box-Jenkins Method in Forecasting of Exchange Rupiah Rate to Dollar and Yen**"

In today's global economy, accuracy in forecasting the foreign exchange rate or at least predicting the trend correctly is of crucial importance for any future investment. The use of computational intelligence based techniques for forecasting has been proved extremely successful in recent times. This research paper, develop and investigate an Artificial Neural Networks (ANNs) based forecasting model using Backpropagation (BP) for Indonesian foreign exchange to predict two different currencies against Indonesian Rupiah.

The ANN results were evaluated on five performance metrics and a comparison was made with traditional ARIMA model. The results show that ANNs based models outperform ARIMA model. Experimental results demonstrate that ANNs based model can closely forecast the forex market.