

ABSTRACT

Indonesia is the biggest Muslim country in the world, with 85% of its population are Muslims. With that being said, Indonesia becomes a promising place for Sharia financial market. However, this opportunity has not been followed by Indonesian society as they have not possessed the necessary capabilities and knowledge about the Sharia financial itself. Proven by nation-wide Sharia financial literacy research conducted by Otoritas Jasa Keuangan, the rate of Sharia financial literacy of Indonesian society has only reached 11.1%.

University students, either Undergraduate or Postgraduate, will soon be a part of the society. They are expected to be the next leader of the country who are able to solve Economy issue and improve society's welfare. One of ways is through financial management capabilities. However, difference between education level may resulted in different financial literacy rate. Therefore, it is necessary to conduct research in order to oversee the difference on Sharia financial literacy rate on both Undergraduate and Postgraduate students.

This research uses Quantitative approach with Descriptive analysis. Questionnaire with ordinal scale is used as a data collection method, while object of this particular research are 171 students in Faculty of Economics and Business of Telkom University that are chosen through Probability Sampling technique. The criteria for this Sharia financial literacy model are derived from Chen and Volpe's research in 1998.

Indicators used in this research are the knowledge on Sharia economy, Personal Finance, Sharia Banking, Sharia Insurance, Sharia Capital Market, Sharia Financing, and Sharia Finance Pension Funds. Result of this research shows that the rate of Sharia financial literacy from Postgraduate students is higher than the Undergraduate students, with each rate resulted in 71.65% for Postgraduate and 68.44% for Undergraduate. These rates are categorized in Intermediate level.

Keyword: Sharia financial literacy