

## **ABSTRACT**

*Some researches that discussed about the effect of macroeconomic variables on sharia stock price has been done. Therefore, in this study the researcher added investor sentiment as a new variable represented psychological aspect. This study aims to analyze whether investor sentiment and macroeconomic variables affect the islamic stock price. Islamic stock price is represented by Indeks Saham Syariah Indonesia (ISSI).*

*This research used ARCH / GARCH analysis to know whether there is influence of investor sentiment and macroeconomic variables on islamic stock price. The analysis was done with the help of e-views 9.0 program. Four hypotheses proposed include investor sentiment affects Islamic stock price, interest rate does not affect the stock price of sharia and exchange rate and inflation have negative effect on the stock price of sharia.*

*The result of the research mentioned that simultaneously investor sentiment and macroeconomic variables have significant effect on islamic stock price. But partially, only investor sentiment and exchange rate affect islamic stock price. While interest rates does not affect the islamic stock price. Inflation has no effect on islamic stock price. This is because the study period is a normal period where there is no economic crisis.*

*Keywords : Islamic Stock Price, Investor Sentiment, Interest Rate, Exchange Rate, Inflation Rate*