

## SUMMARY

MUHAMMAD FATIH AL AZIZ. Analysis of The Effect of Liquidity, Coupon, Maturity and Indonesia Composite Index (ICI) on The Price of Sovereign Sukuk In The Secondary Market. Supervised by IRFAN SYAUQI BEIK and ACHMAD FIRDAUS.

The law No.19 year 2008 about Islamic based government securities defines that Sukuk is an Islamic based Bond issued by the Indonesian government *in domestic or foreign currency*. Further, in the issuance of Sukuk, it requires the underlying assets that made Sukuk differs with another type of government bond. Meanwhile, in terms of Sovereign Sukuk' contracts, there are 14 types of contract that could be used for the Sukuk. As one type of securities, Sukuk is also being traded in the primary and secondary market. However, the volatility of Sukuk price in the secondary market is remaining low or even stagnant as compared with another government bond at the same place. This caused the investors are less interested in Sukuk and there must be a solution on how to attract the investors to invest Sukuk in the secondary market.

This study aims to investigate the impact of liquidity, coupon, maturity, and ICI on the price of Sovereign Sukuk on the secondary market for 42 months from January 2015 to June 2018. This study uses linear regression approach and the data of the study is collected from the Ministry of Finance of Indonesia.

This study found that all the variables are positively significant to the Sukuk price except the maturity variable. The results of this study referred the investors to invest in Sukuk with high liquidity and short maturity. Specifically, the best type of Sukuk for an individual investor is SR007 and the best type of Sukuk for the institutional investor is IFR006

Key words: coupon, IHSG, maturity, liquidity, Indonesia Sovereign Sukuk.