ABSTRACT

As a super power country, the United States of America has an impact to the world as a whole. Along with the highest Gross Domestic Product, the U.S also has the largest stock exchange in the world, New York Stock Exchange (NYSE). Investors from around the world have their investment in the U.S capital market, and the biggest companies in countries around the world are listed there. In other words, the condition of the U.S market can be a representative of the world market to the investors. The crisis that happened in the U.S in 2008, did not only crashed the U.S market, its impact also brought an economic disaster to countries around the world. This study will discuss specifically the U.S market impact on Indonesia growth. The significant decrease of NYSE Composite Index furthermore led to the decrease of Jakarta Stock Exchange Composite Index. The investment factor is one of the factors that has direct impact on a country’s GDP, the crash on investment as a result of global financial crisis clearly has an impact on a country’s growth.

Keywords: New York Stock Exchange, American recession, global financial crisis, Indonesia Gross Domestic Product, market crash