



## Effect Of Inflation, Bi Rate And Exchange Rate On Sharia-Life Insurance Profit

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### Abstract

Indonesian people's awareness of the importance of insurance is increasing, including sharia insurance products. With increasing public awareness of Islamic insurance, it is possible that the income earned by Islamic insurance companies will increase. However, as people's awareness of insurance increases, economic conditions in Indonesia, such as the inflation rate, BI rate and exchange rates, also change. The economic conditions in Indonesia, which have often changed recently, were caused by the Covid-19 pandemic. Based on previous research and several theories, inflation, BI Rate, and also the Exchange Rate affect the profit earned by sharia-life insurance companies in Indonesia. Therefore, this study aims to find out whether economic conditions such as the level of inflation, the BI Rate, and the exchange rate also affect the profits earned by sharia life insurance companies in Indonesia. This research uses quantitative methods. This research includes these classic assumptions, that are Normality Test, Multicholinerity Test, Heteroschedasticity Test, and Autocorrelation Test. This research also conducts a hypothesis test consisting of t-test (partial test), Adjusted R Square test, and F test (Fisher Test). The results of this study the simultaneous influence of Inflation, BI Rate, and Exchange Rate on Sharia-Life Insurance Profit is 57.6%.

**Keywords:** Inflation, BI Rate, Exchange Rate, Profit

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## INTRODUCTION

The global economy experienced its lowest growth in a decade, slumping to 2.3 percent in 2019. Unlike 2021, where the global economy experienced a fairly high growth of 5.7%. But the increase was only supported by two major countries, namely the United States (US) and China. While many developing countries are in a slump. There are several contributing factors. One of them is the ability to handle the spread of covid-19 cases, such as vaccination. Developed countries with large resources are able to accelerate vaccinations, in contrast to developing countries that rely on imports. Then in 2019 to 2021 economic growth in Indonesia has decreased. Before the pandemic, Indonesia's economic growth reached 5.02% in 2019. The covid 19 world health crisis condition also affected the fall of Indonesia's economic growth to reach -2.07% in 2020. After the "new normal" took place and many people were vaccinated so that economic activity began to run again, Indonesia's economic growth increased slightly to reach 3.69% in 2021 (Edwards, 2021; Fang, J., Ou, J., & Yao, 2022; Pratiwi, et al., 2022).

In addition, the pandemic that occurred in 2019 to 2021 is also considered to threaten health and affect the insurance business, especially health insurance and life insurance. On the other hand, economic pressures due to the pandemic have

disrupted people's purchasing power, so it is feared that it will affect the purchasing power of insurance. For Sharia Insurance itself, in 2020 Sharia Government Relations and Community Investment Director of Prudential Indonesia Nini Sumohandoyo revealed that a survey conducted in February-March 2020 showed that the number of sharia consumers, especially in sharia insurance, continued to increase. Understanding of sharia life insurance, for example, increased by eight percent from 2016 to 2020. The survey also showed that interest in sharia life insurance increased by 18 percent, namely 40 percent in 2016 to 58 percent in 2020. The most interesting of those who are interested, namely 44 percent, are millennials aged 25-34 years. If you look at the interest in sharia life insurance, as many as 81 percent are Muslims and as many as 16 percent are non-Muslims.

Higher inflation will lower the company's revenue. Tabarru's fund management is always followed by the size of the participant's claims and the burden of managing insurance. If the participant's claim plus the burden of managing insurance is greater than the insurance income or in the condition of an underwriting deficit of *tabarru* funds', it will affect the company's revenue. If revenue falls, then participants also decrease in confidence in the company because the profit share received is less than the previous condition.

The interest rate (BI Rate) with investment has a reverse relationship, meaning that if interest rates are high, the company's passion for investment decreases and vice versa if interest rates are low, the passion for investing increases. A decrease in the exchange rate in the short term will reduce investment through its negative influence on domestic absorbs or what is known as the expenditure reducing effect. Because this decrease in the exchange rate will cause the real value of people's assets due to an increase in the level of prices in general and will further reduce people's domestic demand. The above symptoms at the company level will be responded to by a decrease in expenses or capital allocation on investments.

The profit of the insurance company is obtained from the distribution of profits of participants' funds developed on the principle of *mudharabah* (profit sharing system). The profit is divided based on the ratio or agreement that has been agreed. Sharia insurance companies profit from premium income and investment returns. Premium income is obtained from mandatory payments of participants to sharia insurance companies in accordance with the contract. Profit is commonly used to measure the efficiency of the enterprise, since this profit is a true profit obtained from the results of the company's operations.

*Figure-1 Profit, Inflation, BI Rate, and Exchange Rate data (2019-2021)*

|     | 2019                      |                         |                       |                            | 2020                      |                         |                       |                            | 2021                      |                         |                       |                            |
|-----|---------------------------|-------------------------|-----------------------|----------------------------|---------------------------|-------------------------|-----------------------|----------------------------|---------------------------|-------------------------|-----------------------|----------------------------|
|     | Profit<br>In million (Rp) | Inflation<br>In Percent | BI Rate<br>In Percent | Exchange Rate<br>In Rupiah | Profit<br>In million (Rp) | Inflation<br>In Percent | BI Rate<br>In Percent | Exchange Rate<br>In Rupiah | Profit<br>In million (Rp) | Inflation<br>In Percent | BI Rate<br>In Percent | Exchange Rate<br>In Rupiah |
| Jan | 710                       | 2.82                    | 6                     | 14163                      | -919                      | 2.68                    | 5                     | 13732                      | -435                      | 1.55                    | 3.75                  | 14062                      |
| Feb | 715                       | 2.57                    | 6                     | 14035                      | -2331                     | 2.98                    | 4.75                  | 13776                      | -1                        | 1.38                    | 3.5                   | 14042                      |
| Mar | 1081                      | 2.48                    | 6                     | 14211                      | -4341                     | 2.96                    | 4.5                   | 15195                      | -550                      | 1.37                    | 3.5                   | 14417                      |
| Apr | 1071                      | 2.83                    | 6                     | 14143                      | -3320                     | 2.67                    | 4.5                   | 15867                      | -904                      | 1.42                    | 3.5                   | 14558                      |
| May | 492                       | 3.32                    | 6                     | 14393                      | -2931                     | 2.19                    | 4.5                   | 14906                      | -1139                     | 1.68                    | 3.5                   | 14323                      |
| Jun | 1904                      | 3.28                    | 6                     | 14227                      | -2866                     | 1.96                    | 4.25                  | 14196                      | -1644                     | 1.33                    | 3.5                   | 14338                      |
| Jul | 2180                      | 3.32                    | 5.75                  | 14044                      | -3372                     | 1.54                    | 4                     | 14582                      | -1470                     | 1.52                    | 3.5                   | 14511                      |
| Aug | 2662                      | 3.49                    | 5.5                   | 14242                      | -1749                     | 1.32                    | 4                     | 14723                      | -1592                     | 1.59                    | 3.5                   | 14398                      |
| Sep | 2476                      | 3.39                    | 5.25                  | 14111                      | -2471                     | 1.42                    | 4                     | 14848                      | -1905                     | 1.6                     | 3.5                   | 14257                      |
| Oct | 2707                      | 3.13                    | 5                     | 14118                      | -1821                     | 1.44                    | 4                     | 14749                      | -1648                     | 1.66                    | 3.5                   | 14199                      |
| Nov | 2821                      | 3                       | 5                     | 14069                      | -747                      | 1.59                    | 3.75                  | 14237                      | -1777                     | 1.75                    | 3.5                   | 14264                      |
| Dec | 3264                      | 2.72                    | 5                     | 14018                      | -712                      | 1.68                    | 3.75                  | 14173                      | -1396                     | 1.87                    | 3.5                   | 14329                      |

As seen from the data above, the profit of life insurance companies in Indonesia declined in 2020 and began to increase in 2021. The same is true of inflation rates and exchange rates. Meanwhile, the BI Rate has always decreased from 2019 to 2021. From this phenomenon, there are some things that are

confusing. One of them is the relationship between the BI Rate and profit. Based on theory, the BI Rate should have a reverse relationship with profit. However, when viewed in the data above, when the BI Rate decreased in 2020, the profit of sharia life insurance companies also fell.

## **THEORITICAL FOUNDATIONS**

### **A. Sharia Insurance**

#### **1. Definition of Sharia Insurance**

Sharia insurance is (Muhamad Syakir Sula, 1996: 1). This mutual support is carried out on the basis of mutual help from each other by issuing funds tabarru donation worship funds, donations intended to bear the risk.

Meanwhile, sharia insurance according to the National Sharia Council of the Indonesian Ulema Council in its fatwa on general guidelines for sharia insurance, gives a definition: Sharia insurance (*ta'min, takaful, tadhamun*) is an effort to protect and help each other among a number of people / parties through investment in the form of assets or tabarru' which provides a pattern of return to face certain risks through sharia-compliant contracts (Alliance).

#### **2. Sharia Insurance Principles**

The principles of sharia insurance are as follows:

##### **a. The principle of surrender and endeavor**

It belongs to Allah all that is in the heavens and what is on earth. If you give birth to what is in your heart, or you hide, then God will make a reckoning with you, then God forgives whom he wills, and Allah is almighty over all things. (Al-Baqarah: 284) "The trust of Allah is the kingdom of the heavens and the earth and what is in it, and He is almighty over all things" (Al-Maidah: 130).

##### **b. Principle to help each other**

"And help you in doing good, and help in sins, and fear Allah as Allah is the weight of torment" (Al-Maidah: 2).

##### **c. The principle of mutual responsibility**

The position of fraternal relations and the feelings of the faithful between one another like one body (body). If one of its members is unhealthy, it affects the whole body. (HR Bukhori Muslim). "Every one of you is a bearer of responsibility and every one of you is responsible for those under your responsibility" (HR Bukhori Muslim).

##### **d. The principle of mutual protection from various hardships**

Some hadiths on this subject:

- "Whoever fulfills his brother's blessing, Allah will fulfill his hajad" (HR Bukhori Muslim, and Abu David)
- "Allah always helps his servant as long as the slave helps his brother" (HR Ahmad and Abu Daud)

##### **e. The principle of mutual protection from various evils**

And the believers, men and women some of them become protectors of some others they tell to do good, and forbid do evil, they establish prayers and zakat and obey Allah and His Rosul They will be given Mercy by Allah almighty again All-wise. (At -Taubah: 71).

##### **f. Principles of good faith**

In the insurance contract for the execution of the policy the parties involved must have good intentions therefore the absence of disclosure of important facts, the involvement of fraudulent acts of misunderstanding or misrepresentation are all elements that led to the invalidation of the insurance policy.

g. Principle of insured importance

What is meant by insured interest is that the party who wants to insure an object of responsibility such as a house, stock of merchandise or others must have an interest in the object. Such interests must be legally recognized. If that interest does not exist, then it should be categorized as gambling activities are forbidden in Islam.

h. The principle of the dominant cause

In the event of an event that gives rise to compensation from the insured party, the loss can be guaranteed if the cause of the event is guaranteed or not excluded by the policy. The principle of the nearest cause requires that a cause is an unbroken chain with an event that inflict losses.

i. The principle of indemnity

The function of insurance is to transfer or divide the risks that the insured may suffer or face due to the occurrence of an event.

j. Principle of subrogation

If the insured experiences a disaster, such as the building burns down, it is likely that there is a third party who according to the law of the insured is to pay damages to him. If the insured has received insurance compensation from the insurer, he must not observe compensation from the guilty third party.

k. Principles of contribution

*Al-Musahamah* 'contribution' is a form of mutual cooperation in which each participant contributes funds to a company and the participant is entitled to compensation for his contribution based on the amounts of shares (premium) he owns or (pays).

3. Sharia Insurance Operational Terms

a. Agreement in sharia insurance

The Indonesian Ulema Council through the National Sharia Council issued a special fatwa on the General Guidelines for Sharia Insurance related to contracts in sharia insurance as follows:

- 1) Contract in insurance
- 2) The position of each party in the *tijarah* contract and the *tabarru* contract'
- 3) Provisions in the *tijarah* and *tabarru*' agreements

b. Fund management mechanism

The mechanism for managing participant funds (premiums) is divided into two systems (Muhamad Syakir Sula, 2004: 177-178) namely:

- 1) Savings products system
- 2) No savings product system

c. Sources of operational costs

In its operation, sharia insurance in the form of a business such as a Limited Liability Company (PT), the source of operational costs determines the development and acceleration of industrial growth. The source of operating funds in sharia insurance comes from underwriting surplus profit sharing, investment profit sharing and shareholder funds.

d. Underwriting

Underwriting is the process of settling and grouping the risks to be borne. Md Azmi Abu Bakar in his article *Famili Takaful Plans Concept Operation and Underwriting* divides the objectives of underwriting in sharia insurance into two parts quoted (Muhamad Syakir Sula, 2004: 184), namely:

1) Ensure rate adequacy

2) Equity

B. Inflation

Inflation is an event that indicates an increase in the price level in general and lasts continuously. From this definition there are three criteria that need to be observed to see that inflation has occurred, namely price increases, are general, and occur continuously over a certain period of time. If there is an increase in the price of one item that does not affect the price of another so it does not increase in general, such an event is not inflation. Unless what goes up is like the price of fuel, this affects other prices so that in general all products almost experience an increase in price. If the price increase occurs a moment and then falls again, it cannot be said to be a inflation, because the price increase that is taken into account in the context of inflation has a minimum range of a month (Pure, 2006).

C. BI Rate

The development of unreasonable interest rates can directly interfere with the development of banks. High interest rates, on the one hand, will increase people's desire to save so that the amount of banking funds will increase (Pohan, 2008). The interest rate becomes a measure of how much it costs or income in relation to the use of money for a certain period of time. (Loen and Ericson, 2008). On the banking side, with high interest rates, banks will be able to raise funds to be channeled in the form of credit to the business world (Pohan, 2008).

BI Rate is an interest rate with a one-month tenor announced by the Bank Indonesia periodically serves as a monetary policy stance. In simple terms, the BI Rate is an indication of the short-term interest rate desired by Bank Indonesia in an effort to achieve the inflation target (Nuryazini, 2008).

The determination of the BI Rate is usually determined in the quarterly Board of Governors' Meeting (RDG) (January, April, July and October) to take effect during the current quarter taking into account the BI Rate recommendations generated by the policy reaction function in the economic model for achievement of the inflation target. Changes to the BI Rate can also be made in the monthly RDG. Changes in the BI Rate are made in multiples of 25 basis points (changes can be 25.50 or 75 basis points according to the monetary situation that occurs) (Nuryazini, 2008).

D. Exchange Rate

Exchange Rate is the price at which a country's currency can be converted into the currency of another country (Downes and Goodman, 1994). The price of one currency in the form of foreign currency is called the exchange rate.

The exchange rate of one currency affects the economy if the exchange rate of that currency appreciates or depreciates. Fluctuations in exchange rate changes are the center of attention of the foreign exchange market (Manurung and Manurung, 2009).

E. Profit

In the basic concept of preparing and presenting financial statements, income is an increase in economic benefits during an accounting period in the form of income or addition of assets or a decrease in liabilities that results in an increase in equity that does not come from investment contributions. Profit is the difference between realized revenue arising from transactions in a certain period and costs incurred in that period. Meanwhile, in this study, the profit in question is profit after tax. Profit is the residual amount left behind after all expenses (including capital maintenance adjustments if any) are deducted on income. If the expense exceeds the income, then the residual amount is a net loss so that the profit is the difference between the income in a period and the costs incurred to bring profit. The profit growth referred to in this study is calculated from the difference between the amount of profit in the year concerned with the amount of profit in the previous year divided by the amount of profit in the previous year.

## **METHODS**

This research is a quantitative study that uses time series data. As quantitative research methods are a type of research that is planned and clearly structured from the beginning to the creation of scientific papers. This method demands a lot of use of numbers, concrete, objective, rational, and systematic starting from data collection, interpretation of result data and until the conclusion stage of research (Mufraeni, 2013).

The data source of this study is secondary data, namely data collected by other parties, derived from internal and external data sources of the organization and referred to periodically or time series (Hartati & Karim, 2023; Nurfitriani, et al., 2022). The data used by the authors in this study are as follows:

1. Sharia insurance profit obtained from the Financial Services Authority report 2019 – 2021.
2. Inflation for the period 2019 – 2021 is obtained from the Bank Indonesia website.
3. The BI rate for the 2019 – 2021 period is obtained from the website of the Central Statistics Agency.
4. The exchange rate for the period 2019 – 2021 is obtained from the Bank Indonesia website.

In data processing, the application of the ordinary least square (OLS) method was used for multiple linear regression models supported by quantitative analysis using econometric models to get a clear picture of the relationships between the variables used in this study. The selection of the Ordinary Least Square (OLS) analysis tool is used to achieve a minimum deviation or error by using Multiple Regression, which is used more than one independent variable.

The variables used in this study can be identified into 2 (two) variables, namely:

1. Independent variables (X), namely the Inflation rate, BI Rate, and Rupiah Exchange Rate.
2. Dependent variable (Y), namely sharia insurance profit.

Based on the variables used, the relationship between variables can be expressed by using the following functions:

$$Y = f (X1, X2, X3)$$

The form of the regression equation can be formulated as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

$$\text{Profit} = \beta_0 + \beta_1 \text{Inflation} + \beta_2 \text{BI Rate} + \beta_3 \text{Exchange Rate} + \varepsilon$$

Information:

Y = endogenous variable (Sharia insurance profit)

$\beta_0$  = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficient of each exogenous variable

X1 = exogenous variable 1 (Inflation)

X2 = exogenous variable 2 (BI Rate)

X3 = exogenous variable 3 (Rupiah Exchange Rate)

$\varepsilon$  = error coefficient

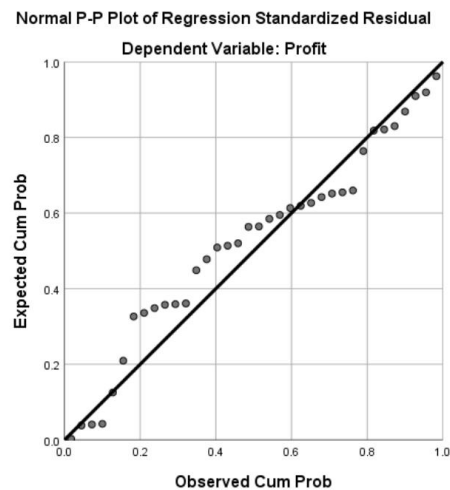
From the linear regression analysis model used, there are several classical assumptions that can be used to estimate the results so that there are no deviations so that they can provide information that matches the available data. These classic assumptions are Normality Test, Multicholnearity Test, Heteroschedasticity Test, and Autocorrelation Test. After that, the author will also conduct a hypothesis test consisting of t-test (partial test), Adjusted R Square test, and F test (Fisher Test).

## RESULTS & DISCUSSION

### 1. Test Classical Assumptions

#### a. Normality Test

*Figure -II Normality Test Result*



Based on the results of the normality test using P -P Plot, it can be concluded that the distributed data is normal. Because the existing points follow a diagonal line.

#### b. Multicholnearity Test

Multicollinearity is the existence of a perfect or definite linear relationship between some or all of the free variables of a regression model. The detection of multicollinearity can be seen through the value of Variance Inflation Factors (VIF). The test criteria are that if the VIF value is  $< 10$  then there is no multicollinearity among independent variables, and vice versa, if the VIF value is  $> 10$  then there is multicollinearity among independent variables. Here are the results obtained using SPSS.

*Figure-III Multicholinerity Test Result*

**Coefficients<sup>a</sup>**

| Model |               | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. | Collinearity Statistics |       |
|-------|---------------|-----------------------------|------------|---------------------------|--------|------|-------------------------|-------|
|       |               | B                           | Std. Error | Beta                      |        |      | Tolerance               | VIF   |
| 1     | (Constant)    | 28289.734                   | 8789.663   |                           | 3.219  | .003 |                         |       |
|       | Inflation     | 646.675                     | 603.635    | .242                      | 1.071  | .292 | .260                    | 3.845 |
|       | BI Rate       | 607.351                     | 479.607    | .288                      | 1.266  | .215 | .256                    | 3.912 |
|       | Exchange Rate | -2.299                      | .589       | -.462                     | -3.906 | .000 | .948                    | 1.054 |

a. Dependent Variable: Profit

Based on the results of the multicholinerity test, it can be seen in the VIF table that the value of the VIF is no greater than 10, then the result of this test is H0 accepted so that it can be concluded that in the model there is no problem of multicholinerity.

c. Heteroschedasticity Test

*Figure-IV Heteroschedasticity Test Result*

**Coefficients<sup>a</sup>**

| Model |               | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. |
|-------|---------------|-----------------------------|------------|---------------------------|--------|------|
|       |               | B                           | Std. Error | Beta                      |        |      |
| 1     | (Constant)    | 8360.665                    | 4946.976   |                           | 1.690  | .101 |
|       | Inflation     | 1133.931                    | 339.736    | .962                      | 3.338  | .002 |
|       | BI Rate       | -665.402                    | 269.931    | -.717                     | -2.465 | .019 |
|       | Exchange Rate | -.485                       | .331       | -.221                     | -1.462 | .153 |

a. Dependent Variable: Abs\_RES

Based on the results of the heteroskedasticity test using SPSS, the inflation variable and BI rate have a sig value of < 0.05 which means it experiences heteroskedasticity. Meanwhile, the exchange rate variable experiences a sig value of > 0.05, which means it does not experience heteroskedasticity.

d. Autocorrelation Test

*Figure-V Autocorrelation Test Result*

**Model Summary<sup>b</sup>**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1     | .759 <sup>a</sup> | .576     | .536              | 1358.614                   | 2.249         |

a. Predictors: (Constant), Exchange Rate, Inflation, BI Rate

b. Dependent Variable: Profit

Based on the results of the autocorrelation test using SPSS, it shows that the  $dU < d < 4-dU$  are  $1.65 < 2.25 < 2.35$ . This means that the model is free from autocorrelation problems, then H0 is accepted so that it can be concluded that the data does not have autocorrelation problems. By passed the autocorrelation test, there is no relationship between the members of a series of observations sorted according to space and time.

2. Hypothesis Test

a. t-test (Partial Test)

*Figure -VI Hypothesis Test Result*

**Coefficients<sup>a</sup>**

| Model |               | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. |
|-------|---------------|-----------------------------|------------|---------------------------|--------|------|
|       |               | B                           | Std. Error | Beta                      |        |      |
| 1     | (Constant)    | 28289.734                   | 8789.663   |                           | 3.219  | .003 |
|       | Inflation     | 646.675                     | 603.635    | .242                      | 1.071  | .292 |
|       | BI Rate       | 607.351                     | 479.607    | .288                      | 1.266  | .215 |
|       | Exchange Rate | -2.299                      | .589       | -.462                     | -3.906 | .000 |

a. Dependent Variable: Profit

Based on the results of the t test using SPSS, it can be concluded that inflation and BI Rate do not affect the profit of sharia insurance companies in Indonesia. This is inferred based on the sig value. for variable inflation and BI Rate greater than the significant level of 0.05. As for the Exchange Rate has an influence on the profit of sharia insurance companies in Indonesia, because based on the results of the t test, the sig value of the Exchange Rate is smaller than the significant level of 0.05.

b. Coefficient of Determination (Adjusted R Square)

*Figure-VII Coefficient of Determination Results*

**Model Summary**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .759 <sup>a</sup> | .576     | .536              | 1358.614                   |

a. Predictors: (Constant), Exchange Rate, Inflation, BI Rate

Based on the output above, it is known that the value of R Square is 0.576, this means that the simultaneous influence of Inflation, BI Rate, and Exchange Rate on Sharia-Life Insurance Profit is 57.6%.

c. Test F (Simultaneous)

*Figure -VIII Test F Result*

**ANOVA<sup>a</sup>**

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.              |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1     | Regression | 80297432.35    | 3  | 26765810.78 | 14.501 | .000 <sup>b</sup> |
|       | Residual   | 59066664.20    | 32 | 1845833.256 |        |                   |
|       | Total      | 139364096.6    | 35 |             |        |                   |

a. Dependent Variable: Profit

b. Predictors: (Constant), Exchange Rate, Inflation, BI Rate

Based on the above output, it is known that the significance value for the simultaneous influence of Inflation, BI Rate, and Exchange Rate on Profit is 0.000 < 0.05 and the calculated F value is 14.501 > F table 2.89, so it can be concluded that H3 is accepted which means that there is a simultaneous influence of Inflation, BI Rate, and Exchange Rate on Sharia-Life Insurance Profit.

## CONCLUSION

Based on the results of the research that has been previously described, from these four points it can be concluded:

1. Inflation does not have a positive and partially significant effect on the profits of sharia life insurance companies in Indonesia.
2. The BI Rate does not have a positive and partially significant effect on the profits of sharia life insurance companies in Indonesia.
3. The exchange rate has a positive and partially significant influence on the profits of sharia life insurance companies in Indonesia.
4. Inflation, BI Rate, and Exchange Rate have a simultaneous positive and significant influence on the profits of Sharia life insurance companies in Indonesia.

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