

Analysis of Potential and Risks Investing in Financial Instruments and Digital Cryptocurrency Assets during the Covid-19 Pandemic

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ABSTRACT

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Since 2010, virtual currency or Cryptocurrency is a form of investment that has developed. Today, there are more than 2,000 types of crypto currencies worldwide. Cryptocurrency research in Indonesia is still focused on the legal status and legal status of cryptocurrency investments. This quantitative descriptive study aims to describe the returns and risks of investing in crypto currencies. Descriptive analysis by calculating risk measures and using the heteroscedastic model GARCH (1,1) was carried out on the return data of 15 crypto currencies that had the greatest value. Information was obtained that investing in most crypto currencies resulted in higher returns than investing in foreign currencies or the stock market. On the other hand, Crypto currencies have a higher risk of loss and volatility clustering or heteroscedasticity. Further research is needed to uncover the characteristics of Crypto currency returns and their performance in the form of a portfolio.



A. INTRODUCTION

The depreciation of the Rupiah exchange rate against the USD caused various economic problems both for consumption and investment, changes in the exchange rate which are very fluctuating at the present time have made most companies unable to pay their loans to banks. One of the policies adopted by the Government to reduce exchange rate fluctuations is by raising interest rates through the instruments of Bank Indonesia Certificates (SBI) and Money Market Securities (SBPU). As an investor, there are a number of important information that must be considered related to the very fluctuating stock prices, this greatly influences investors' decisions in making wise decisions in choosing and managing good and correct investment instruments. Accurate valuation of investment instruments can minimize risk as well as help investors gain profits.

The methods of online trading transactions are currently using e-money. Electronic money (digital money) is money that is used in Internet transactions by electronic means. Typically, these transactions involve the use of a computer network (such as the internet and digital price storage systems). Electronic Funds Transfer (EFT) is an example of electronic money. Electronic money has stored value or prepaid where an amount of money value is stored in an electronic media that is owned by someone.

The value of money in e-money will decrease when consumers use it for payments. E-money can be used for various types of payments (multi purpose) and is different from single purpose instruments such as phone cards. Electronic money is an interesting field in cryptography, the use of digital money (e-money) is still on a small scale until now. One rare success is the Hong Kong Octopus card, which started out as a transit payment system and has grown into a widely used cash system. Another success is the Interac Canada network, which in 2000, passed cash payments in retail in Canada (http://www.interac.org/en_n2_01_milestones.html., Accessed November 20, 2020).

This is in line with Darmawan's (2014) research which states that online transaction payments no longer only use a nominal amount of money, but use an alternative payment, namely virtual money called bitcoin. Bitcoins is a modern payment consensus network system that uses fully digital money. Bitcoin is also called the first decentralized peer-to-peer payment network which is completely controlled by its users without any central authority or intermediary. From the user's point of view, bitcoins are like cash on the internet. Bitcoins cannot be cashed but can be used to buy goods on the internet. Bitcoin is produced through data encryption and a certain algorithm.

Investment is an effort made by a person or group of people to get a return on the money they own. Today there are various forms of investment, which can be done by owning real assets such as land and gold, securities (deposits, stocks, bonds), derivative assets (options, forward, futures) to currency or foreign exchange (forex). In this decade, a new form of investment emerged, namely virtual currency or cryptocurrency. In contrast to widely known currencies, virtual currencies do not exist, and are not issued by a particular country or central bank. A virtual currency that is quite successful and is widely known throughout the world is bitcoin, which emerged in 2009. Two years later, another virtual currency appeared, namely namecoin (Hileman and Rauchs, 2017). Nowadays, there are various types of virtual currencies around the world.

National economic growth drives significant changes in the financial sector, especially payment instruments. Starting with bartering, then developing using goods / commodities and finally using metal and paper as raw materials for money. The development of the role of money as a means of payment continues to undergo changes in form, namely in the form of check and bilyet giro payments that allow payments by transferring funds from account balances between financial institutions, especially banks. Payment of online transactions no



longer only uses a nominal amount of money, but uses an alternative payment, namely virtual money called bitcoin. Bitcoins is a modern payment consensus network system that uses fully digital money. Bitcoin is also called the first decentralized peer-to-peer payment network which is completely controlled by its users without any central authority or intermediary.

Bitcoin is called cryptocurrency, which is a form of payment instrument that uses cryptography or special security algorithms in controlling the management and creation of bitcoin. Bitcoin is not a virtual currency nor is it a legal means of payment in Indonesia, so the legal means of payment in Indonesia is rupiah currency. This has been explained in Article 1 number (2) of Law Number 7 of 2011 concerning currency that the currency used to make payment transactions in Indonesia is the rupiah. The regulator system in Indonesia is the reason why Indonesia does not recognize bitcoin, therefore bitcoin is illegal in Indonesia. According to Bank Indonesia (BI) as the payment system regulator in Indonesia, bitcoins are deemed not in accordance with several laws in force in the banking world, namely Law No. 7 of 2011 concerning currency and Law no. 23 of 1999 concerning Bank Indonesia.

The coin market cap site (www.coinmarketcap.com) as one of the references in the study of crypto currencies (Lansky and Paavilainen, 2010), in February 2020 recorded more than 2,000 kinds of crypto currencies worldwide. The conversion rates for these cryptocurrencies vary widely, ranging from USD 2.58x10⁻⁸ (0.000000258) per currency unit to USD 14,258.98 per currency unit. Like ordinary currencies, the value of this currency also changes over time. The amount of money in circulation is also published in real time on various internet sites. For example, the coin market cap site provides data on cryptocurrency prices along with their volume and total value every day since April 28, 2013.

The revival of cryptocurrencies in the world occurred after the 2008 economic crisis. At that time, bitcoin was introduced by certain parties who used the pseudonym Satoshi Nakamoto. Bitcoin is run on open source software, can be downloaded by anyone around the world, and is spread everywhere thanks to the block chain system. Besides that, the existence of bitcoin does not depend on a particular institution or company. These are the things that cause bitcoin and other crypto currencies to regain interest and trust from the public. During its development, a number of studies have even highlighted the potential of bitcoin as a virtual currency with a bright future (Plassaras, 2013), (Folkinshteyn, Lennon and Reilly, 2015), (Carrick, 2016).

The rate of development of cryptocurrency from year to year is considered quite significant. The development of one type of cryptocurrency that has the greatest value today, namely bitcoin, is not only rife abroad, if the non-IT community is able to accept this technology and knows its implementation techniques, it is certain that the development of cryptocurrency in Indonesia will increase sharply. Currently in Indonesia, most cryptocurrency users use their coins for investment purposes, transactions or payments, as well as remittances, namely making transfers to different countries. However, along with the increasing interest of the Indonesian people in bitcoin investment, there are also several obstacles that could potentially discourage public interest in cryptocurrency.

In Indonesia, bitcoin and other digital assets have developed, based on the information of one of Indonesia's Head Country of exchange service providers, buying, sending and receiving bitcoin in Indonesia, bitcoin users there are around 200,000 (two hundred thousand) in Indonesia with a total transaction of around Rp. 4,000,000,000, - (four billion rupiah) per day. The increasing use of bitcoin in Indonesia requires regulation of both systems and transactions to regulate bitcoin so that there is protection and legal clarity regarding digital assets. The problem is intense and the solution will be raised in this research is How is the regulatory system and Cryptocurrency transactions that are declared legal by the government on financial instruments and digital assets in order to realize efforts to increase state income through the Cryptocurrency transaction tax system in Indonesia.



B. LITERATUR REVIEWS

Since one decade Bitcoin has continued to be the best performing asset even in the era of the COVID-19 pandemic, Bitcoin's performance has proven to be better when compared to other investment assets. Currently, the favorite investment instrument in Indonesia is Cryptocurrency. Not just a favorite, alternative non-cash transactions, such as remittances and cross-border transactions are very rapid developments for cryptocurrencies. Of course, this is in line with the Indonesian people who are starting to become financially literate and the latest developing technology. Decentralized, transparent, and global blockchain technology is the advantage of using Cryptocurrencies. Cryptocurrencies that use transaction technology on the blockchain network give confidence that they are able to solve problems of various problems faced by the conventional financial system.

Regulations regarding cryptocurrencies in Indonesia are regulated by Bappebti. Cryptocurrency assets are recognized as commodities that can be traded on futures exchanges according to Bappebti Regulation No. 5 of 2019. With this regulation, of course, the cryptocurrency industry has clear legal protection and is growing in Indonesia. Talking about cryptocurrency, Bitcoin is generally a very popular crypto, especially when the price of a number of share prices dropped dramatically due to the Covid-19 pandemic crisis, the value of the Bitcoin currency actually soared. In fact, the types of cryptocurrencies are very diverse. Currently there are more than 5,000 types of cryptocurrencies listed on the Coin market cap; a global crypto market cap monitoring site. Here are some digital currencies favored by millennials in Indonesia, such as in Pintu Research, Cryptocurrency Platform.

The main problem in this research is that bitcoin cryptocurrency in Indonesia is government regulation. Therefore, there is a point in the solution for the government to regulate and make a law on the system and transactions with bitcoin, rather than continuously prohibiting bitcoin transactions. However, the more prohibited the number of members who join bitcoin is also increasing in number. In fact, the number of transactions continues to grow and there are more and more. But in this solution, the Indonesian government must create a good system and governance by taxing the results obtained from bitcoin, so that not only bitcoiners can benefit from the results obtained from bitcoin, but also for the government can get income. In addition to the tax rules on income obtained from bitcoin, hopefully this rule will materialize soon. Therefore, in this study, a cryptocurrency transaction model design will be provided as an effort to increase state revenue.

Electronic money or Virtual Currency is a relatively new non-cash payment instrument / instrument. Electronic money or Virtual Currency has several advantages over other electronic payment instruments, namely prioritizing speed, ease, and efficiency in making transactions. As a relatively new payment instrument in Indonesia, e-money aims to reduce the growth rate of cash use. The development of e-money is able to create a trend for a cashless society, namely a society's behavior that uses non-cash transactions by taking advantage of the conveniences offered by these transaction tools (Waspada, 2012).

Constraints that are often faced regarding the payment system are due to the current payment system always relying on third parties. Third party companies as issuing companies regarding payment products that can be trusted in managing digital transactions such as mastercard, visa, paypal, and others. This is certainly the answer to the emergence of cryptocurrency. Cryptocurrency is the name given to a system that uses cryptography to carry out the process of sending data securely and to exchange digital tokens spread out. With the use of cryptocurrency technology as a payment system technology, it turns out that it still has several problems related to problems that have been faced for a long time and have not been resolved for years in the world of computer science, namely double spending problems and byzantine general problems. So that the development at that time was not so significant. There are many types of cryptocurrencies, including Bitcoins, Ripple, Altcoins, Litecoins, Ethereum, Dash, Dogecoin, Stellar, Peercoin, Bitshares, NXT, etc. Until now, some of these cryptocurrencies have a good reputation and have a large market share, so



they are used and accepted as a means of payment by online merchants and e-commerce sites.

The main factor that must be fulfilled in order to become legal in Indonesia is special regulations related to cryptocurrency. Formulating special regulations related to virtual currency is actually an important step for the State of Indonesia. For example, in developed countries such as the United States, Japan, and Singapore, tax regulations related to cryptocurrency have been prepared. Especially at this time, the development of technology, especially digital or virtual systems, is very fast. So it is predictable that new virtual currencies that are similar or even more sophisticated and more complex than the existing ones will continue to emerge in the future. Currently, there are many cryptocurrencies that intend to replace bitcoin, which is currently the cryptocurrency most often used, such as etherim and litecoin. Determining the tax base for virtual currency, it is necessary to determine whether it is based on the virtual currency unit or based on its value if it is converted into a foreign currency, such as rupiah or dollar. In addition, it is also necessary to classify the types of taxes that will be imposed on Cryptocurrency whether to be the object of income tax (PPH 21), income tax on foreign exchange differences, or income tax on capital gains (PPH article 4 paragraph 2) or VAT.

One of the biggest obstacles in Indonesia related to the development of cryptocurrency is that Bank Indonesia has not recognized and even prohibited all transactions using bitcoin, because bitcoin is not a legal payment instrument in Indonesia. This can be seen from the official understanding of the Indonesian government regarding currency according to Article 1 Paragraph 1 UU no. 7 of 2011 which states that, "Currency is money issued by the Unitary State of the Republic of Indonesia, hereinafter referred to as Rupiah". Apart from the above, there are also other challenges that must be faced in cryptocurrency investment, including (1) Cryptocurrency does not have a clear classification. It cannot be ascertained that cryptocurrency is a currency or only a commodity. (2) There is a scam which is a fraudulent act that results in shifting people's trust in something. For example, in Indonesia, the people are accustomed to persuasion to get rich quick through an unclear MLM or Multi Level Marketing and ultimately have to end up with a fraud. This also causes the public to show skepticism about cryptocurrency. (3) The general public's understanding of cryptocurrency is still unclear, resulting in a lack of acceptance of cryptocurrency in Indonesian society.

We can share bitcoin files with fellow users using media, namely computer networks. This is because bitcoin uses peer-to-peer network or file sharing service. The fee cutting used to provide brokers with the payments required for conventional buying and selling transactions is the concept behind bitcoin. By cutting brokerage fees, sellers can offer their goods more cheaply. Blockchain is referred to as the global ledger or balance sheet which is the main core of bitcoin. This balance sheet or ledger records the overall transactions made using bitcoin, because bitcoins are mined the entire transaction is recorded, this is what makes bitcoins not easy to counterfeit. The elements of bitcoin are the existence of a peer-to-peer network, blocks, blockchain and miners. The peer-to-peer network in bitcoin allows all users to transfer a certain amount of bitcoin value, these transactions are stored in files called blocks, these blocks are linked to each other to form a block chain called a blockchain, and miners solve complex mathematical problems. formula in terms of proof of ownership of bitcoin.

The decentralized cryptocurrency was introduced by Satoshi Nakamoto in 2009. Bitcoin became the first cryptocurrency to be introduced on the online market and had an impact worldwide. All processes use cryptographic hash functions with all available schemes. After bitcoin, many other cryptocurrencies have sprung up with their respective excellent features. Cryptocurrency with low capitalization market has not been able to survive until now. Transactions and banking have now begun in a new era. The business world will dramatically change since the existence of virtual currency transparency. Fast, encrypted, and cheaper are certainly the advantages of this virtual currency. But vice versa such as lack of trust, lack of acceptance, or concern about the existing system outages are weaknesses.

In short, cryptocurrency is a virtual currency system that functions like a standard



currency that allows users to virtually make payments for business transactions that occur without service fees but still have centralized trust authority. Transmission of digital information that is relied on by Cryptocurrencies by using a method, namely the cryptographic method. This method is used to ensure the legitimacy of every transaction that occurs. The largest digital coin market share with currency decentralization and free from organizational bureaucracy is owned by bitcoin today which uses a peer-to-peer network. Since 2011 Cryptocurrency began to attract attention with the emergence of various "altcoins" (a common name for cryptocurrencies other than Bitcoin).

There are several cryptographic techniques that build bitcoin, namely asymmetric key cryptography, hash functions, and hashcash as proof-of-work. The first is asymmetric key cryptography, each bitcoin is associated with an ECDSA (Elliptical Curve Digital Signature Algorithm) public key. When bitcoins are to be sent, a transaction message is generated containing the recipient's public key, the number of coins, and the sender's signature (using the private key); then published / broadcast to every bitcoin protocol user, to check the legality of the owner, based on the sender's signature and the sender's balance value. A complete history of transactions is kept by all users so that all of them are able to verify bitcoin ownership.

C. METHODOLOGY

This study uses quantitative research methods. Quantitative research methods are one type of research whose specifications are systematic, well-planned and clearly structured from the beginning to the making of the research design. Quantitative research methods, as proposed by Sugiyono (2011) are: "Research methods based on the philosophy of positivism, are used to examine certain populations or samples. Data collection using research instruments, data analysis is quantitative/statistical, with the aim of testing the established hypothesis". The data used in this study is observational data consisting of primary data and secondary data, after observing the data that has been collected then the data is analyzed which is connected with the theory used in this study, then testing between variables.

Tabel 1 : Secondary Data

Tahun	Bulan	Ethereum		Bitcoin	
		Cryptocurrency (US\$)	Return	Cryptocurrency (US\$)	Return
2016	12	12.33	-	318.2	-
2017	1	15.15	0.22871	218.5	-0.31332
	2	21.69	0.43168	254.1	0.16293
	3	14.89	0.31351	244.1	-0.03935
	4	11.94	0.19812	235.8	-0.03400
	5	15.86	0.32831	229.8	-0.02545
	6	10.71	0.32472	264.1	0.14926
	7	8.17	0.23716	283.7	0.07421
	8	8.61	0.05386	229.5	-0.19105
	9	10.96	0.27294	235.9	0.02789
	10	13.25	0.20894	311.2	0.31920
	11	11.66	0.12000	378	0.21465



	12	12.0	0.02916	430	0.13757
2018	1	12.5	0.04167	369.8	-0.14000
	2	14.07	0.12560	436.2	0.17956
	3	11.41	0.18905	415.7	-0.04700
	4	8.87	0.22261	448.5	0.07890
	5	14.01	0.57948	528.9	0.17926
	6	12.5	0.10778	670	0.26678
	7	11.86	0.05120	621.9	-0.07179
	8	11.63	0.01939	573.9	-0.07718
	9	13.3	0.14359	608.1	0.05959
	10	10.96	0.17594	698.7	0.14899
	11	8.62	0.21350	742.5	0.06269
	12	8.00	0.07193	963.4	0.29751
2019	1	10.71	0.33875	965.5	0.00218
	2	15.86	0.48086	1,189.30	0.23180
	3	49.72	2.13493	1,079.10	-0.09266
	4	83.51	0.67961	1,351.90	0.25280
	5	218.34	1.61454	2,303.30	0.70375
	6	275.62	0.26234	2,480.60	0.07698
	7	200.81	0.27142	2,883.30	0.16234
	8	387.3	0.92869	4,735.10	0.64225
	9	303.44	0.21652	4,360.60	-0.07909
	10	303.69	0.00082	6,451.20	0.47943
	11	432.21	0.42319	9,946.80	0.54185
	12	736.77	0.70466	13,850.40	0.39245
2020	1	1,118.08	0.51754	10,265.40	-0.25884
	2	852.49	0.23754	10,333.90	0.00667
	3	393.96	0.53787	6,938.20	-0.32860
	4	670.07	0.70086	9,245.10	0.33249
	5	577.87	0.13760	7,502.60	-0.18848
	6	452.67	0.21666	6,398.90	-0.14711
	7	431.5	0.04677	7,729.40	0.20793



	8	281.94	-	7,033.80	-0.08999
	9	232.8	-	6,635.20	-0.05667
	10	198.59	-	6,365.90	-0.04059
	11	113.77	-	4,039.70	-0.36542
	12	131.90	0.15936	3,709.40	-0.08176

D. RESULT AND DISCUSSION

a. Normality test

Testing the normality of the data can be done using two methods, graphs and statistics.

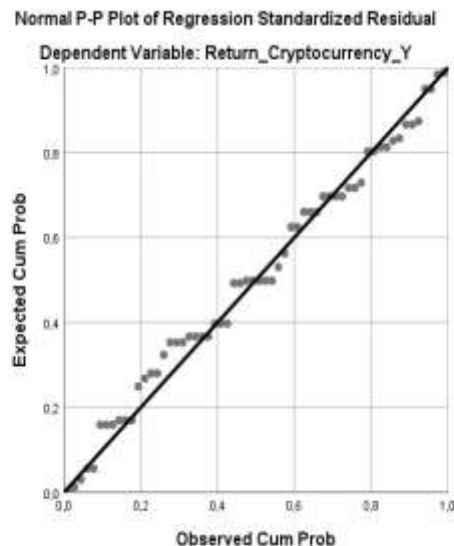


Figure 1 Normal P- Plot graph

Data that is normally distributed will form a straight diagonal line and plotting the residual data will be compared with the diagonal line, if the distribution of residual data is normal, the line that describes the actual data will follow the diagonal line. (Ghozali, 2016).

b. Multicollinearity Test

The multicollinearity test aims to determine whether there is a correlation between the independent variables in the regression model. The multicollinearity test in this study is seen from the tolerance value or variance inflation factor (VIF).

Tabel 2 Multicollinearity Test Result.

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Beta_Cryptocurrency_X1	,999	1,001



Inflasi_X2	,999	1,001
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a. Dependent Variable: Return_Cryptocurrency_Y

Based on the table above, it can be seen that the tolerance value of Beta Cryptocurrency (X1) is 0.999, Inflation (X2) is 0.999, all of which are greater than 0.10 while the VIF value of Beta Cryptocurrency (X1) is 1.001, inflation (X2) is 1.001, where all are less than 10.

c. Heteroscedasticity Test

The heteroscedasticity test aims to test whether from the regression model there is an inequality of variance from the residuals of one observation to another observation.

Tabel 3 Heteroscedasticity Test Result

Model	t	Sig.	Collinearity Statistics	
			Tolerance	VIF
1(Constant)	1.762	.089		
Beta_Cryptocurrency_X1	1.427	.165	.849	1.178
Inflasi_X2	-.097	.923	.849	1.178

a. Dependent Variable: Abs_RES

Based on the above test, the significance value of Beta Cryptocurrency (X1) is greater than 0.05 (5%) which is 0.165, the test of the significance value of Inflation (X2) is greater than 0.05 (5%) which is 0.923, then there is no indication of Heteroscedasticity.

d. Coefficient of Determination(R^2)

The value used to see the coefficient of determination in this study is in the adjusted R square column. This is because the adjusted R square value is not susceptible to the addition of independent variables. The value of the coefficient of determination can be seen in the following table:

Tabel 4 Coefficient of Determination(R^2) Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,397 ^a	,158	,151	1837,12973	,137

a. Predictors: (Constant), Inflasi_X2, Beta_Cryptocurrency_X1

b. Dependent Variable: Return_Cryptocurrency_Y

Based on table 4.6, it can be seen that the adjusted R square value is 0.151 or 15.1%. This shows that the Beta Cryptocurrency Variable (X1), the Inflation variable (X2), can explain the Cryptocurrency Beta Variable (Y) of 15.1%, the rest of 84.9% (100% - 15.1%) is explained by other variables outside this research model.

e. t test (Partial)



The t statistic test is also known as the individual significance test. This test shows how far the influence of the independent variable partially on the dependent variable.

Tabel 5 t Test Result

Model	Standardized Coefficients			Collinearity Statistics	
	Beta	t	Sig.	Tolerance	VIF
1 (Constant)		,166	,869		
Beta_Cryptocurrency_X1	,397	6,658	,000	,999	1,001
Inflasi_X2	,004	,064	,949	,999	1,001

a. Dependent Variable: Return_Cryptocurrency_Y

1) Hypothesis Testing the Effect of Cryptocurrency Beta Variables (X1) on Cryptocurrency Return Variables (Y).

From the table above, the tcount value is 6.658. With = 5%, ttable (5%; 240-2 = 238), the ttable value is 1.693. From the description it can be seen that tcount (6.658) > ttable (2.596), as well as the value the significance is 0.000 < 0.05, it can be concluded that the first hypothesis is accepted, meaning that the Beta Cryptocurrency Variable (X1) has a significant effect on the Cryptocurrency Return Variable (Y).

2) Hypothesis Testing the Effect of Inflation Variables (X2) on the Cryptocurrency Return variable (Y).

From the table above, the tcount value is 0.064. With = 5%, ttable (5%; 240-2 = 238), the ttable value is 0.064. From the description it can be seen that tcount (0.064) < ttable (2.596), as well as the value the significance of which is 0.949 > 0.05, it can be concluded that the second hypothesis is rejected, meaning that the Inflation Variable (X2) has a significant effect on the Cryptocurrency Return Variable (Y).

f. F Test (Simultaneous)

Tabel 6 F Test (Simultaneous)

Model	Mean Square	F	Sig.
1 Regression	74949411,603	22,207	,000 ^b
Residual	3375045,656		
Total			

a. Dependent Variable: Return_Cryptocurrency_Y

b. Predictors: (Constant), Inflasi_X2, Beta_Cryptocurrency_X1

The obtained Fcount value of 22.207 With $\alpha = 5\%$, dk numerator : 2, dk denominator : 240-2-1 (5%; 2; 237) obtained Ftable value of 2.32 From the description it can be seen that Fcount (22,207) > Ftable (2.32), and a significance value of 0.000 < 0.05, it can be concluded that the third hypothesis is accepted, meaning that the Beta Cryptocurrency Variable (X1), Inflation Variable (X2), has a significant effect simultaneously (simultaneously) on the Cryptocurrency Return Variable (Y).



During the Covid-19 pandemic, it was reported that the global commodity market crashed three weeks ago to be exact. The price of crypto money such as Bitcoin, which is the king in crypto asset commodities, also had a chance to surge by more than 40 percent during several trading days. This condition makes these crypto assets considered unattractive or weak. However, this condition is claimed by crypto-money trading asset platforms such as Tokocrypto, which are still far better than stocks and gold. First, in the midst of a decline in the value of investment globally, the Bitcoin commodity continues to grow. Bitcoin investors are advised to always be patient with the ups and downs of crypto commodities but also not to be careless in releasing all their assets. The current crisis condition is considered to have pushed new demand which is quite large so that the price of crypto assets increases and the price becomes cheap, people need an investment medium that is safe and is not affected by the effects of the global economy. If you look at the price movement from IDR 96 million on January 2, 2020, Bitcoin actually rose by more than 40 percent to IDR 141 million on February 14, 2020. Meanwhile, JCI moved bearish from the beginning of the year and its current position, even returned to its level in 2016. Compared to the movement gold since the beginning of the year until now has increased by 26 percent while the JCI has actually experienced a correction of 23.6 percent, on the other hand Bitcoin has outperformed with an increase of more than 30 percent in the midst of this crisis. A survey revealed by Crypto Stores on March 31 shows that senior trading executives believe that large companies in business will be interested in taking advantage of plunging crypto assets.

According to the Adoption of Digital Asset Trading report published by management intelligence platform Acuiti, digital asset adoption is greater among sales-side service providers (26 percent) than traditional trading companies (17 percent). "In the midst of the Covid-19 pandemic which is predicted to continue for the next few months, of course it is important to choose investment instruments wisely, and still pay attention to the aspect of diversification," explained Tokocrypto Co-founder and CEO, Pang Xue Kai. "Bitcoin is proven to be able to survive amid the siege of the pandemic and global financial issues that exist, and even continues to show a strengthening sentiment," he added.

E. CONCLUSION

Cryptocurrency is virtual money or digital money that is in cyberspace that has no concrete objects, unlike conventional money such as rupiah, dollars or others. According to Altucher, our predecessors have made changes to the form of currency several times. Starting from gold which replaced the barter system, which was later replaced by paper money. So it does not rule out if digital currencies such as Cryptocurrency will replace paper money as a transaction tool in the future. (<https://telset.id/189479/ini-10-pesor-perkembangan-cryptocurrency-bitcoin/>). At the time of writing, launching on the Coin Market Cap site, there are 1568 types of cryptocurrencies in the world. The number is still observed to continue to grow, along with the continued existence of ICOs (Initial Coin Offerings) conducted in various countries, including Indonesia. Not all cryptocurrencies are popular, especially in Indonesia.



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