

*Abstract*

*Lending growth in Indonesian Banking is fluctuative. It caused by some variable from previous studies. This research aim to analyze the factors considered to affect bank lending, namely: Non Performing Loan (NPL) and Return on Assets (ROA).*

*The aim of this study is to examine the effect of Non Performing Loan (NPL), Loan to Deposito Ratio (LDR), and Third-Party Funds to bank lending, both in simultaneous and partial way. This research was conducted on 31 National Private Foreign Banks Period 2011 – 2015 which had chosen by purposive sampling method. The observation period is five years by using panel data regression with Fixed Effect Model (FEM).*

*The result of this study shows that simultaneously the variables Non Performing Loan (NPL), Loan to Deposito Ratio (LDR), and Third-Party Funds to bank lending. Partially, the variables Loan to Deposito Ratio (LDR), and Third-Party Funds have significant effect to bank lending. Whereas, the variable Non Performing Loan (NPL) has no significant effect to bank lending.*