ABSTRACT

In the last three years a decline trend in ROA. The cause of the decline in ROA was obtained bank credit is due to the slow growth coupled with rising non-performing loans (NPL). With the increase in NPLs will require banks to pay more reserve losses. Increasing the number of it charges loss affects the rate of decline in profitability of banks.

The purpose of this study was to determine the effect simultaneously and partially between the Third Party Funds (TPF), Credit Risk (NPL), Liquidity Risk (LDR), and Ratio Risk Capital Adequacy (CAR) to Profitability (ROA) banking companies listed in Bursa Securities Indonesia (BEI) in the period 2011-2015.

The sampling technique in this study using purposive sampling that generate 22 samples within a period of 5 (five) years as many as 110 units of the sample. The analytical method used is regression analysis of panel data is processed using Eviews version 8.

The results of this study indicate that simultaneous variables such as the size of Third Party Fund (DPK), Credit Risk (NPL), Liquidity Risk (LDR) and Capital Adequacy Risk (CAR) effect on profitability (ROA). In partial Third Party Fund (DPK), Liquidity Risk (LDR) and Capital Adequacy Risk (CAR) has no significant effect on profitability (ROA), while the variable Credit Risk (NPL) significant negative effect on profitability (ROA).

Based on these results if the company wants to increase the number of commercial bank profitability (ROA) obtained then they must keep the NPL ratio remains within the limits set by Bank Indonesia.

Keywords: Third Party Fund (DPK), Credit Risk (NPL), Liquidity Risk (LDR), Capital Adequacy Risk (CAR), profitability (ROA)