

## **ABSTRACT**

*The existence of a bank has a very important role for the economy of a country, one of which is the Regional Development Bank which must maintain the health of its bank to maintain the regional economy. The health of this bank can be an internal factor in changing stock prices. Therefore, the research on the soundness level of the bank on the BPD share price was carried out.*

*This research was conducted with the aim to determine the effect of a bank's soundness level which consists of several factors, namely the Risk Profile, Good Corporate Governance, Profitability (Earnings), and Capital (Capital) on stock prices in Regional Development Banks. listed on the Indonesia Stock Exchange for the period 2014-2018 either simultaneously or partially.*

*The population used in this study were all Commercial Banks in Indonesia for the 2014-2018 period, namely 110 banks. While the sampling technique used in this study is purposive sampling which has the aim of obtaining samples according to the specified criteria. This study uses multiple linear regression analysis to measure the effect of bank soundness on stock prices.*

*The results showed that the bank soundness level variables, namely NPL, LDR, GCG, ROA, NIM, and CAR together (simultaneously) had a significant effect on stock prices. Meanwhile, the results of the partial test show that the NPL variable has a significant effect on stock prices. The LDR, GCG, ROA, NIM, and CAR variables show that these variables partially do not have a significant effect on stock prices.*

*Based on the researcher's involvement with the data, this study does not interfere with the data. Suggestions to investors should consider the analysis of the soundness of the bank and consider other factors when making investment decisions at Regional Development Banks. The bank concerned in this study is expected to pay more attention to the financial ratio of the Non-Performing Loan (NPL).*

*Keywords: Risk Profile, Good Corporate Governance, Earning, Capital, and Stock Price*