

## ABSTRACT

The trade war between the United States and China that occurred in 2019 resulted in declining export activities in Indonesia and falling commodity prices, followed by a strengthening United States dollar and a weakening Indonesian rupiah so that Indonesia experienced a trade balance deficit. Bank Indonesia responded to this by raising the benchmark interest rate which was followed by an increase in banking interest rates so that lending in Indonesia declined. In 2020 the Indonesian government issued a policy of limiting economic activities to respond to the COVID-19 pandemic so that Indonesia's economic growth declined. When Bank Indonesia lowered its benchmark interest rate, the results did not match expectations, credit disbursement fell instead.

The phenomenon in 2019 and 2020 triggers the question of how the condition of banking health in Indonesia. So this study aims to analyze the soundness of Conventional Commercial Banks listed on the IDX for the 2019 and 2020 period. This study uses the Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC) methods to measure the soundness of banks and statistical descriptive methods to describe the mean, minimum, maximum, and standard deviation of each RGEC indicator.

The results of the study show that there are 23 banks rated stable in their NPL ratios, 12 banks that have increased the predicate, and 5 banks that have dropped their predicate. In the LDR ratio, which has a stable predicate, there are 14 banks, 19 banks that have increased the predicate, and 7 banks have decreased in the predicate. In the GCG rating, which has a stable predicate, there are 30 banks, which have increased the predicate to 4 banks, which have decreased in the predicate of 6 banks. In the ROA ratio which has a stable predicate, there are 21 banks, which have increased the predicate to 6 banks, which have decreased in the predicate of 13 banks. In the NIM ratio, which was predicated as stable, there were 34 banks, which decreased the predicate to 6 banks. A total of 40 banks are predicated as stable in their CAR ratios.

*Keywords: Bank Soundness, Conventional Commercial Banks, RGEC*