

## **ABSTRACT**

*This study aims to analyze the effect of macroeconomic variables on the profitability of Islamic banks during the Covid-19 pandemic as measured by the Return On Asset (ROA) indicator. The macroeconomic indicators used are Gross Domestic Product (GDP), inflation, BI Rate and exchange rate.*

*The research object used includes the entire population of Islamic banks in Indonesia, which consists of 12 BUS and 20 UUS using data for the period January 2020 to August 2021 obtained from the publication of financial statements through the website. The method used in this research is descriptive statistical analysis, classical assumption test and multiple linear regression analysis using Eviews 9 software.*

*During the research period, the results show that simultaneously independent variables which include Gross Domestic Product (GDP), inflation, BI Rate and exchange rate have a significant influence on the profitability of Islamic banks in Indonesia as measured by the Return On Asset (ROA) indicator. While partially shows that the GDP variable has a positive and significant effect on the profitability of Islamic banks in Indonesia as measured by the Return On Asset (ROA) indicator, while inflation, BI Rate and the exchange rate have no effect on the profitability of Islamic banks in Indonesia as measured by the Return On Asset indicator (ROA).*

*Keywords: Macroeconomics, Profitability, Islamic Banks, Indonesia, Covid-19 Pandemic.*