

ABSTRACT

The purpose of this research is to analyze Capital Adequacy Ratio (CAR), Net Interest Margin (NIM), Loan to Deposit Ratio (LDR), Operational Cost Ratio to Operational Income (BOPO) toward Return On Asset (ROA) of Domestic Banks and Foreign Banks in Indonesia from 2011 to 2015.

The population of this research is all domestic banks and foreign banks in Indonesia that operate from 2011 to 2015. This research uses purposive sampling method as sampling technique, therefore total samples of this research is 92 domestic banks and 10 foreign banks. The analysis technique that is used in this research is multiple linear regression analysis. This research also uses Chow test to compare the influence of CAR, NIM, LDR, BOPO toward ROA between domestic banks and foreign banks.

The result of analysis shows that CAR, NIM, LDR, and BOPO have significant influence toward ROA in domestic banks. Meanwhile, only CAR and BOPO in foreign banks show significant influence toward ROA. Chow test result shows that there is different influence of CAR, NIM, LDR, BOPO toward ROA between domestic banks and foreign banks.

Keyword : Bank performance, Domestic Bank, Foreign Bank, Return On Asset (ROA), Capital Adequacy Ratio (CAR), Net Interest Margin (NIM), Loan to Deposit Ratio (LDR), Operational Cost Ratio to Operational Income (BOPO).