

## **ABSTRACT**

*This study is performed to test the effect of BOPO, NPL, LDR, sensitivity credit of BI rate, sensitivity credit of inflation, ownership status and size toward NIM. The objective to analyze the effect of the bank financial ratios performance (BOPO, NPL, LDR, sensitivity credit of BI rate, sensitivity credit of inflation, ownership status and size) toward NIM in banking industry over period 2014-2016.*

*Sampling technique used here is purposive sampling. The data was taken Otoritas Jasa Keuangan (OJK). It is gained sample amount of 40 data. The analysis technique used here is multiple regression with the least square difference and hypothesis test using t-statistic to examine partial regression coefficient and f-statistic to examine the mean of mutual effect with level of significance 5%. In addition, classical assumption is also performed including normality test, multicollinearity test, and heteroscedasticity test.*

*As long as research, found normally data and no classical assumption. The result shows BOPO, NPL, sensitivity credit of inflation, and ownership status to have influence negative significant toward NIM at level of significance less than 5%. LDR to have influence positive significant toward NIM at level of significance less than 5%.*

*Keywords: BOPO, NPL, LDR, sensitivity credit of BI rate, sensitivity credit of inflation, ownership status, size, and NIM*