ABSTRACT

Researchers aim to identify the factors affecting bank liquidity during the COVID-19 pandemic. These factors are proxied by the variables Capital Adequacy Ratio (CAR), Return on Assets (ROA), Non-Performing Loan (NPL-gross), and the Credit Restructuring Ratio to total credit, with liquidity measured by the Loan to Deposit Ratio (LDR).

The authors use a sample of commercial banks in Indonesia during the pandemic, consisting of Regional Development Banks (BPD), State-Owned Banks (BUMN), Private Banks, and Foreign Bank Branches (KCBLN) for the period from March 2020 to June 2023. The research analysis employs multiple linear regression using Stata 17 software.

The research results show that the Capital Adequacy Ratio (CAR) has a negative-significant impact on Regional Development Banks (BPD), State-Owned Banks (BUMN), Private Banks, and Foreign Bank Branches (KCBLN). Profitability represented by the ROA ratio has a positive-significant impact on State-Owned Banks (BUMN), but is not significant for Regional Development Banks (BPD), Private Banks, and Foreign Bank Branches (KCBLN). The credit ratio represented by the Non-Performing Loan (NPL) ratio is not significant for all types of banks. The Credit Restructuring Ratio has a significant negative impact on BPD, a significant positive impact on KCBLN, but no statistically significant effect on State-Owned Banks (BUMN) and Private Banks..

Keyword: Liquidity, Loan Deposit Ratio, Capital Adequacy Ratio, Return on Assets, Non-Performing Loans, Credit Restructuring Ratio, Bank Indonesia