

## **ABSTRACT**

*This study aims to analyze the effect of bank ownership status (GOVBANK and PRIBANK) and ownership concentration (HHI) on the risk-taking behavior of conventional banks in Indonesia, using credit risk as a proxy measured by the Non-Performing Loan Ratio (NPLR), while also considering the moderating effect of HHI. The study uses panel data from 43 conventional banks during the 2018–2023 period with a total of 250 observations and is analyzed using the Fixed Effect Model with clustered standard errors. The results show that, directly, both government and private ownership status do not have a significant effect on risk-taking. However, when the interaction with ownership concentration is introduced, government ownership status has a significant negative effect, while private ownership status has a significant positive effect on risk-taking. Ownership concentration (HHI) is also proven to significantly increase bank risk-taking. These findings indicate that ownership structure and its level of concentration are important factors in influencing banks' risk-taking behavior, thus carrying important implications for regulators, investors, and bank management in maintaining financial system stability.*

*Keywords: Ownership Concentration, Ownership Structure, Risk-Taking, NPL Ratio*

