

## **ABSTRACT**

*This research has a purpose to analyze the effect on interest rate of Bank Indonesia Certificate, Loan to Deposit Ratio, Capital Adequacy Ratio, and Return on Assets for interest rate of time deposit Commercial Banks in Indonesia 2006 – 2009 period. The interest rate was showed how much return will be the number of fund has believed by investor or customer for the concerned bank. So, important for the banks to will be analyzed the factors to determined interest rate targeted match with condition of banking and state of economy.*

*The population in this research are commercial bank in Indonesia, while the sample chosen us purposive sampling technic with predetermined criteria. A number of samples consist of 24 commercial bank in Indonesia. This research use analyzed multiple linear regression. While, the hypothesis testing with use t test.*

*The result of research show that in partial interest rate of Bank Indonesia Certificate and Loan to Deposit Ratio has positive and significantly influence on interest rate of time deposit. Capital Adequacy Ratio have negative and significantly influence on interest rate of time deposit. While, Return on Assets have not significantly influence on interest rate of time deposit. The coefficient of determination from regression model obtained was 0,495 or 49,50 percent. This case to show that 49,50 percent is interest rate of time deposit influence by interest rate of Bank Indonesia Certificate, Loan to Deposit Ratio, Capital Adequacy Ratio, and Return on Assets. While the rest 50,50 percent to be explained by variables or other factors out of the model research.*

*Keywords: Interest rate of time deposit, Interest rate of Bank Indonesia Certificate, Loan to Deposit, Capital Adequacy Ratio, and Return on Assets.*