ABSTRACT

The considering of global economic conditions that covered with uncertainties as a result of the debt crisis occured in Europe and the United States. So that, it needs further evaluation of banking performance to keep the healthy of banks. Assessment of banking performance can be seen from the financial ratios. The ratio of CAR, LDR, BOPO, and KAP are the correct ratios to measure the banking performance that measured by ROA.

This study uses population of Foreign Exchange and Non Foreign Exchange Banks as many as 65 banks. The selection of samples using purposive sampling method, in order to get sample of 24 banks are divided into 18 Foreign Exchange Banks and 6 Non Foreign Exchange Bank. The data used is the banks's Annual Financial Report period of 2007-2011 that obtained from the Indonesian Banking Directory, Indonesia Stock Exchange, and the concerned bank website. Analysis of data used are descriptive statistics, multiple linear regression, hypothesis testing, and chow test.

The result showed that only variable BOPO which has significant effect to banking performance. LDR variable has a significant effect to performance of Foreign Exchange Banks. Whereas other variables have no significant effects to banking performance of both model. The result of chow test showed that there are difference between Foreign Exchange Banks and Non Foreign Exchange Banks period of 2007-2011.

Keywords : banking performance, CAR. LDR, BOPO, KAP