

ABSTRACT

The purpose of this research is to analyze the influence of Capital Adequacy Ratio (CAR), Non-Performing Loan (NPL), Inflation Rate, Growth of Third Party Fund and Exchange Rate towards Loan To Deposit Ratio (LDR) of Public Bank stands in Indonesia.

Sample of this research consists of thirty six Commercial Bank, which are : five state owned banks and thirty one foreign exchange commercial banks. Purposive sampling method were used as samples determining method. Using monthly review of Indonesian Banking Statistic which is released by Bank Indonesia for 2004-2008 period. The analysis methods are multiple regression with dummy variable and also classical assumption tests such as normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test.

The result of the research simultantly using F test, shows that all of the five independent variables influence significantly towards Loan to Deposit Ratio. Partially variables like Capital Adequacy Ratio, Non-Performing Loan, Inflation Rate, and Exchange Rate influence towards Loan to Deposit Ratio with negative and significant result with significant level of 0,000; 0,049; 0,005; and 0,030, while Growth of Third Party Fund influences towards Loan to Deposit Ratio with positive and insignificant result. The coefficient determinant (R²) is 0,533 which means 53,3 % LDR variation explained by five independent variables above, whereas 46,7 % explained by another variables which is not followed.

Keyword : Capital Adequacy Ratio (CAR), Non-Performing Loan (NPL), Inflation Rate, Growth of Third Party Fund and Exchange Rate, Loan To Deposit Ratio (LDR)