

ABSTRACT

Bank performance appraisal is based on bank financial report itself. The financial report can be form balance report which give information about the financial position to the outside of bank that can be used of external to assess the level of risk exist in a bank. The objective of this research is to analyze difference of performance (ROA) government bank and foreign bank, analyse the influence of Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Loan Deposit Ratio (LDR) and Net Interest Margin (NIM) toward Return On Assets (ROA) on government bank and foreign bank in every three month period in 2003 until 2007. This research also used chow test to analyse the difference influence Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Loan Deposit Ratio (LDR) and Net Interest Margin (NIM) toward Return On Assets (ROA) between government bank and foreign bank.

Sample of this research consists of 4 government bank and 5 foreign bank. Purposive sampling methods were used as samples determining method. Data were provided by Financial Report in every three month. Analysis technique for hypothesis 1- 4 with multiple regression and hypothesis 5 with chow test.

The result of this research shows Capital Adequacy Ratio (CAR) and Net Interest Margin (NIM) have a positive and significant influence toward Return On Assets (ROA) on government bank and foreign bank. Non Performing Loan (NPL) and Loan to Deposit Ratio (LDR) have a negative and significant influence toward Return On Assets (ROA) on government bank and foreign bank. The result of this research shows that adjusted R^2 from government bank is 87,3%, in foreign bank is 24,5 % and for all adjusted R^2 is 22,1 %. Chow test result shows difference influence of Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Loan Deposit Ratio (LDR) and Net Interest Margin (NIM) toward Return On Assets (ROA) between government bank and foreign bank. Investor can use the result of this research as a consideration before invest.

Keywords: *Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Loan Deposit Ratio (LDR), Net Interest Margin (NIM), Return On Assets (ROA)*