ABSTRACT

The existence of different levels of performance of each bank in Indonesia in capital management makes research on the factors that affect CAR is important to study. This study aims to analyze the effect of LDR, LAR, NPL, PDN, BOPO, ROA, ROE, and NIM on conventional commercial bank CAR in Indonesia.

The research sample used was 35 conventional commercial banks listed on the Indonesia Stock Exchange in 2014-2018. Data in this study used secondary data collection, which was taken from the Publication Report and Indonesian Banking Statistics (SPI) issued by the Financial Services Authority (OJK).The research hypothesis is tested using multiple linear regression analysis with the SPSS 26 program.

The results showed that LDR and NIM had a significant positive effect on CAR. LAR, NPL, BOPO, and ROE have a significant negative effect on CAR. PDN and ROA have a positive but insignificant effect on CAR.

Keywords   : LDR, LAR, NPL, PDN, BOPO, ROA, ROE, NIM, CAR