ABSTRACT

This study is performed to examine the effect of KPMM, BOPO, LDR, NPL and SBDK toward credit interest rate in banking companies in Indonesia. The objective of this study is to scale and analyze the effect of the banking financial ratios performance (KPMM, BOPO, LDR, NPL and SBDK) toward credit interest rate in banking companies in Indonesia over period 2010-2012.

Sampling technique used here is purposive sampling on criterion the banking company with have total asset IDR 10 trillion up and published financial repor. The data is obtained based on Directory of Bank Indonesia's statistic. It is gained sample amount of 50 companies from 120 banking companies in Indonesia that divided into two grups, general conventional bank (known as BUK) and Regional Development Bank (known as BPD). The analysis technique used here is multiple regression with the least square difference and hypothesis test using t-statistic to examine partial regression coefficient and f-statistic to examine the mean of mutual effect with level of significance 5%. In addition, classical assumption is also performed including normality test, multicolinearity test, heteroscedasticity test and autocorrelation test. While to examine the difference determining KPMM, BOPO, LDR, NPL and SBDK toward credit interest rate in BUSN and BPD in Indonesia using Chow Test regression analysis.

During 2010-2012 period show as deviation has not founded this indicate clasiccal assumption that the available data has fulfill the condition to use multi linier regression model. Empirical evidence show BOPO and SBDK to have influence toward credit interest rate of BUK and BPD at level of significance less than 5%.

Keywords: KPMM, BOPO, LDR, NPL, SBDK and Credit Interest Rate