

ABSTRACT

Loan channeling is the main activity of BPR, based on this activity, interest income becomes the major income of BPR and the loan is the risk source of BPR that is reflected from non performing loan (NPL). The increasing of amount of loan channeling will increase NPL together with the cost; it certainly will influence capital growth. The ability to channel loan of banking is influenced by any aspects that can be taken notice of internal factor and external factor of the bank. The ability of bank in collecting society funds and determining a level of interest rate influence the internal factor. In the research the ability to channel loan is viewed from internal aspect because it would be easier to take control than external aspect.

By using secondary data such as monthly report of BPR from September 2005 to August 2006, the research tries to analyze the influence of independent variables those are the level of BPR interest rate, the amount of non performing loan, the level of sufficiency of BPR capital, and the amount of society deposit to dependent variable such as loan channeling at BI Banjarmasin. The analysis methods that is used are regression analysis and assumption test of regression classic.

Empirical finding indicates that the level of interest rate influences loan channeling negatively and significantly, the level of capital sufficiency and society deposit influence loan channeling significantly and positively, non performing loan does not influence loan channeling significantly and negatively. Therefore the managerial implication focuses on the four variables as offering the level of competitive interest in increasing loan channeling. Theoretical implication indicates the research consistency by the former research and the research limitation are elaborated on the last part of the research.

Keyword: factor, loan, interest rate level, non performing loan, society deposit, capital sufficiency level, loan channeling.