

ABSTRACT

This study aims to analyze the effect of internal bank factors, namely Capital Adequacy Ratio (CAR), Loan to Deposit Ratio (LDR), Operating Expenses to Operating Income (BOPO), and Return on Assets (ROA), on credit risk as proxied by Non-Performing Loans (NPL), while considering the role of crisis conditions as a moderating variable. In addition, this study incorporates macroeconomic variables, namely Gross Domestic Product (GDP) and BI Rate, as control variables.

The research object consists of conventional commercial banks listed on the Indonesia Stock Exchange (IDX) during the period of 2018–2024. The sample was selected using purposive sampling, resulting in 27 banks with a total of 189 observations. The analysis method employed is panel data regression using the Fixed Effect Model (FEM), along with moderation analysis and robustness testing using Driscoll-Kraay Standard errors.

The results indicate that Loan to Deposit Ratio (LDR) has a positive and significant effect on NPL, suggesting that higher credit expansion increases credit risk. Meanwhile, CAR, BOPO, and ROA do not have a significant effect on NPL. The crisis variable, proxied by a dummy for the pandemic period, is also not found to significantly moderate the relationship between independent variables and NPL.

These findings suggest that bank credit risk is not solely determined by internal financial conditions but is also influenced by external factors such as credit restructuring policies and macroeconomic conditions, which may distort the measurement of NPL during crisis periods.

Keywords : Non-Performing Loans (NPL), CAR, LDR, BOPO, ROA, credit restructuring, crisis, banking