

ABSTRACT

This study is performed to test the effect of CAR, NIM, LDR, BOPO, NPL toward ROA between foreign bank and domestic bank. The objective to analyze the effect of the bank financial ratios performance (CAR, NIM, LDR, BOPO, NPL) toward ROA in banking industry over period 2012-2014.

Sampling technique used here is purposive sampling. The data was taken Otoritas Jasa Keuangan (OJK). It is gained sample amount of 111 bank. 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, multicollinearity test, and heteroscedasticity test.

The result shows NIM, LDR, and BOPO to have influence toward ROA foreign bank at level of significance less than 5%, and CAR, NIM, and BOPO, have influence toward ROA domestic at level of significance more than 5%.

Keywords: CAR, NIM, LDR, BOPO, NPL, and ROA

