ABSTRACT

Title : Analysis of Causality Between Problem Credit and Liquidity And Factors That Influence (Study Cases in Mixed Banks in Indonesia for the 2012 Period 2018).
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This study aims to determine the causality between problem loans and liquidity. Non-performing Loans is a measurement of the bank's business risk ratio that shows the magnitude of the problem loans that exist in a bank that is proxied by NPL (Nom Performing Loans) while Liquidity is the ability of banks to meet their short-term obligations, which are proxied by LDR (Loan to Deposit Ratio) . As well as to determine whether there is an independent influence of variables on the dependent variable partially or simultaneously, and to find out which variables affect the Problem Credit and Liquidity in Mixed Banks. The data are examined with quarterly data from 2012 to 2018. Independent in this study are CAR (Capital Adequacy Ratio), Size, BOPO (Operational Income Operating Costs), Inflation and BI Interest Rates while the dependent variable is NPL (Non Performing Loan) and LDR (Loan to Deposit Ratio). The data collection method in this study uses a purposive sampling method with a total sample of 11 (eleven) Mixed banks registered with Bank Indonesia. In testing, several statistical tests that are used include the test of common effects, fixed effects, and random effects with stata tools, showing the fixed effect method was chosen as the best way. The research findings show that the significant variables that influence the NPL and LDR are Size, BOPO and Inflas while those that have no effect are CAR, and BI Interest Rates.

Keywords: NPL, LDR, CAR, Size, BOPO, Inflation, BI Interest Rates.