

Abstract

Abstract-This paper takes a case study Categories Bank Book 4 Period 2005-2014. One goal is to determine how much influence the interest rates and inflation affecting the level of distribution of the company kredit existing commercial banks in Indonesia.

Bank category of book 4 is the largest bank that has assets in Indonesia, according to the International World Wide Bank which include the category of books bank asset-4 is the lowest 70% of the total credit or payment.

This study aims to determine how much influence interest rates and inflation to lending. In addition, the study included in the descriptive research is causality.

The research population is the primary company registered in Bank Indonesia (BI) in the year 2005-2014. Sampling in this study using purposive sampling method with a total of 4 samples of the company. The processed data is secondary data that has been collected by researchers, published in the journal data and other statistics, and information available from the publication, all of which can be useful for researchers.

The results of this study showed that simultaneous variable firm size, the interest rate and inflation does not have a significant effect on lending. Partial variable interest rate has a significant effect on lending. While the inflation variable has no significant effect on the loan portfolio.

Keywords: Interest Rate. Inflation, Lending, Bank Book 4.