

ABSTRACT

One of the most highlighted investors in assessing the performance of banking profitability ratio which is the ratio used in this study is the return on assets (ROA). ROA is used to measure the ability of the bank's management in obtaining the overall profit of the total assets owned.

This study aims to examine the influence of Capital Adequacy Ratio (CAR), Loan Deposit Ratio (LDR) and Non Performing Loan (NPL) to profitability is proxied by Return on Assets (ROA) at Commercial Bank listed on Indonesia Stock Exchange (BEI) in the period 2011-2015. The data used in this study was obtained from financial statement data.

The population in this study are the commercial bank listed on the Stock Exchange. Sample selection technique used is purposive sampling and acquired 31 commercial banks with the 2011-2015 study period. Methods of data analysis in this research is panel data regression analysis using Eviews software version 9.

The results showed that simultaneous Capital Adequacy Ratio (CAR), Loan Deposit Ratio (LDR) and Non Performing Loan (NPL) have a significant effect on profitability. While partially, CAR significant positive effect on profitability, NPL significant negative effect on profitability. LDR has no effect on profitability.

Based on these results, then if the banking wanting to improve profitability, the bank needs to increase the CAR and pressing LDR

Keywords: *Capital Adequacy Ratio (CAR), Loan Deposit Ratio (LDR), Non Performing Loan (NPL), Return on Assets (ROA)*