

ABSTRACT

At this time Islamic banks are growing and developing in the community. This can be seen from the OJK statistical data which shows an increase in the number of branch offices from BUS, UUS, and BPRS from year to year. The differences between Islamic banks and conventional banks make some people switch to using Islamic bank's services. The non-riba system that used at Islamic banks have undertaken to carry out economic activities accordance to Islamic principles.

This study aims to analyze the effect of Murabahah and Musyarakah financing on Profitability on Islamic Banks registered with the Financial Services Authority in 2013-2017. The data used in this study were obtained from the financial statements of each Islamic Banks.

The population in this study is Islamic Banks in Indonesia during the period 2013-2017. The sampling technique is nonprobability sampling using purposive sampling and obtained twelve sample units within a period of five years where there were sixty units of samples in this study. Data analysis in this research is panel data analysis using Eviews version 9 software.

Based on the results of data processing, this study uses a chow test that is suitable for the research conducted. The results of the panel data testing can be concluded that the regression model used in this study is a random effect model test. The test results show that murabahah financing shows an increase in ROA, musharaka financing shows a decrease in ROA.

The results showed that Murabahah and Musyarakah Financing simultaneously had a significant effect on Return on Assets. Murabahah financing partially has a significant effect on Return On Assets and Musyarakah Financing partially has a significant effect on Return on Assets.

Keywords: Murabahah Financing, Musyarakah Financing, Return On Asset