

ABSTRACT

Banking third party funds have a very important role in the structure of bank capital rather than the capital of the bank owner itself. Control of banking operations is governed by several provisions made by the monetary authority. Banking customers can monitor progress by looking at the bank's performance. The increase in third party funds is a reflection of the benchmark for the success of a bank if the bank can cover the operating costs of this source of funds.

This study aims to examine some of the ratios found in financial statements against third party funds. The ratio used is the capital adequacy ratio, the ratio of non-performing loans, and the ratio of return on assets to third party funds in banking companies listed on the Indonesia Stock Exchange (IDX).

The population of this research is conventional banking companies listed on the Indonesia Stock Exchange (IDX). The sampling method uses purposive sampling with a total sample of 39 companies and a study period of 4 years so that the number of sample units is 156 data. The data analysis technique uses descriptive statistics and hypothesis testing using panel data regression analysis using the Eviews 10 application.

The test results obtained from this study simultaneously show that the capital adequacy ratio, non-performing loan and return on assets significantly influence third party funds. Partially the capital adequacy ratio does not have a significant effect on third party funds. While non-performing loans and return on assets have a significant negative effect on third party funds. The results of this study are expected to contribute to customers in deciding the placement of funds in the bank

Keywords: Capital Adequacy Ratio, Non Performing Loans, Return On Assets, Third Party Funds