

ABSTRACT

ANALYSIS OF LEVEL OF BANKING HEALTH AND BANKRUPTCY PREDICTION OF BANK PERKREDITAN RAKYAT IN BANDAR LAMPUNG

By

MUHAMMAD RIDO AL' AMIN

The objective of this research is to describe the level of banking health using CAMEL model and also see the prediction of failure using Altman model. CAMEL analysis is used as a proxy of the banking health, in this research consist of: CAR, KAP, PPAP, NPM, ROA, BOPO, CR, and LDR, while for predicting the bankruptcy by using financial ratios that have been formulated in Altman model.

The population of this research is Rural Banks in Bandar Lampung. Sampling using purposive sampling method of sample selection based on certain considerations, the method obtained a sample of 12 Rural Banks. The data are showed by financial reports on 3 years since 2011 to 2013.

The result by using CAMEL model shows that 1 (one) Rural Bank is categorized as "unhealthy" and 8 (eight) Rural Banks are categorized as "quite healthy" from 2011 to 2013. Meanwhile, Altman model predicts that 13 (thirteen) Rural Banks are in distress zone from 2011 to 2013. Based on the analysis, Rural Banks categorized as "unhealthy" by using CAMEL model are as same as the bankrupt Rural Banks predicted using Altman model.

Keywords: Level of banking health, The bankruptcy prediction, CAMEL model, Altman model.