

ABSTRACT

ANALYSIS OF FACTORS AFFECTING THE DEVELOPMENT CREDIT BANK VOLUME IN INDONESIA 2009.01-2014.08

By

Indah Permatasari

The purpose of this study was to analyze factors that influence the development of bank credit at commercial banks in Indonesia which consists of several variables: Third Fund, Capital Adequacy Ratio, Non-performing loans, and the interest rate of Bank Indonesia Certificates. The model used in this study is the Error Correction Model by using secondary data of monthly time series data. These results indicate that there is a relationship between the dependent variable credit with four independent variables in both the short and long term, the relationship between independent variable DPK, NPL, and SBI is positively effected to dependent variable volumes of credit at commercial banks in Indonesia and the independent variable CAR negatively related to dependent variable volumes of credit at commercial banks in Indonesia, this means that three independent variables in this study is consistent with the initial hypothesis and the other independent variables negatively related, variable DPK positive and significant impact, variable NPL positive and significant impact at long-term positive related but not significant in the short-term, variable SBI positive and significant impact on the volume of commercial bank credit in Indonesia. While the opposite effect on the variable CAR negative and not significant effect on the volume of credit.

Keywords: Total loans, commercial bank loans, third-party funds, capital adequacy ratio, non-performing loan, interest rate of Bank Indonesia Certificate, Error Correction Model, general bank.