## ABSTRACT

## RELATIONSHIP BETWEEN MARGIN ISLAMIC BANK WITH BI RATE AND CONVENTIONAL BANK INTEREST RATES IN INDONESIA

By

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This study aims to determine the relationship between the Margin Islamic Bank, BI Rate, Interest Rates Conventional Banks in Indonesia during the period 2008: 1-2014: 12. The method used in this study is the Granger Causality Test. The data used is secondary data during the period 2008: 1-2014: 12.

The results showed that the margin Islamic Bank and BI Rate relates not significant at 95% confidence level. Margin Islamic Banking and Conventional Bank Loan Interest significant related at 95% confidence level. BI Rate and Interest Rates Bank Conventional significant related at 95% confidence level.

Keywords : Margin, Islamic Bank, Revenue Sharing