

ABSTRACT

Hanifatius Syaidah Zahara. 2024. *The Effect of Third Party Funds, Non Performing Financing, Capital Adequacy Ratio, and Inflation Against Mudharabah Financing (Study of Sharia People's Economic Banks in Indonesia Period of 2015–2022)*

Mudharabah financing is influenced by several factors, including both internal and external bank-related factors. Internal factors include the funds raised, the bank's perception of the debtor's business prospects, capital adequacy, the amount of problematic loans, and the loan-to-deposit ratio. In contrast, external factors encompass economic conditions, government regulations, the quantity and quality of competitors, and customary practices. The data obtained indicates that several periods show changes in Mudharabah Financing in BPRS that do not align with existing theories. It can be reasonably assumed that increases in Third-Party Funds (TPF) and Capital Adequacy Ratio (CAR) should be followed by increases in Mudharabah Financing. Nevertheless, there are instances when TPF and CAR increase, yet Mudharabah Financing decreases, and vice versa. Similarly, increases in Non-Performing Financing (NPF) and decreases should follow inflation in Mudharabah Financing. However, there are several periods when NPF and inflation increase, and Mudharabah Financing also increases, and vice versa. The objective of this study is to ascertain the impact of TPF, NPF, CAR, and inflation on Mudharabah Financing in BPRS over the period 2015–2022, both individually and collectively.

This quantitative research employs quarterly secondary data published by the Financial Services Authority and Bank Indonesia, amounting to 32 data points. The data collection techniques employed were those of documentation. The sampling technique employed was purposive sampling. The independent variables in this study are TPF, NPF, CAR, and inflation. The data analysis techniques employed were simple and multiple correlation coefficients, determination coefficients, and simple and multiple linear regression. The significance level was set at 5%.

The results of this study indicate that TPF, NPF, CAR, and inflation exert a partial and simultaneous significant influence on Mudharabah Financing. The results of the T-test for TPF yielded a t-value of 4.830 with a significance level of 0.000, which is less than 0.05. The results of the T-test for NPF yielded a t-value of -3.700 with a significance level of $0.001 < 0.05$. The results of the T-test for CAR yielded a t-value of 3.756 with a significance level of $0.001 < 0.05$. The results of the T-test for inflation yielded a t-value of -4.074 with a significance level of $0.000 < 0.05$. Meanwhile, the simultaneous F-test yielded a value of 13.923 with a significance level of $0.000 < 0.05$. The adjusted R-square value indicates that the variables TPF, NPF, CAR, and inflation collectively influence Mudharabah Financing by 62.5%, while other unexamined variables exert an influence on the remaining 37.5%.

Keywords: Mudharabah Financing, TPF, NPF, CAR, Inflation