

ABSTRACT

THE EFFECT OF FEE BASED INCOME, LOAN TO FUNDING RATIO (LFR), AND OPERATING EXPENSES TO OPERATING INCOME (BOPO) ON RETURN ON ASSETS (ROA)

(In Conventional Commercial Banks in Core Capital Category 3 Listed on the Indonesia Stock Exchange)

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This study aims to analyze the effect of Fee Based Income, Loan to Funding Ratio (LFR), and Operating Expenses to Operating Income (BOPO) on Return On Assets (ROA) in conventional commercial banks in the KBMI 3 category listed on the Indonesia Stock Exchange. This study uses a quantitative approach with a verifiable method through survey techniques. The research sample consists of 9 banks selected using purposive sampling with a total of 36 observation units. The data analysis technique used is panel data regression analysis with the Random Effect Model (REM) using EViews 12 software. The results of the study indicate that Fee Based Income has not affect ROA, Loan to Funding Ratio (LFR) affects ROA, and Operating Expenses to Operating Income (BOPO) affects ROA. Fee Based Income, Loan to Funding Ratio (LFR), and Operating Expenses to Operating Income (BOPO) can be used as predictors of ROA.

Keywords : *Fee Based Income, Loan to Funding Ratio, Operating Expenses to Operating Income, Return On Assets*