ABSTRACT

THE INFLUENCE OF THIRD PARTY FUNDS AND LIQUIDITY (LDR) TO PROFITABILITY (ROA) AT PT BANK DANAMON INDONESIA Tbk

This research was conducted at PT Bank Danamon Indonesia Tbk listed on the Indonesia Stock Exchange. The purpose of this study is to determine how much influence a third party funds and liquidity as measured by the loan to deposit ratio (LDR) to simultaneously and partially to the profitability measured by return on assets (ROA). Third party funds are funds from the community both individual and business entity and whether it is denominated in rupiah or foreign currency, while liquidity is the ability of banks to meet short-term obligations to saving customers or other parties, and profitability is the ability of banks in generate profits.

The method used in this research is descriptive method with quantitative approach verifikatif. The sample used in this research are annual consolidated financial statements year 2000-2010 as many as 11 samples. Statistical test used was testing the assumptions of classical test, multiple linear regression analysis, partial correlation coefficient, determination coefficient and hypothesis testing. Obtaining the results of the analysis processed by using the application program of IBM SPSS Statistics 19.

From the results of correlations showed that third party funds, liquidity (LDR) and profitability (ROA) has a very strong relationship with the positive direction. While the results of multiple linear regression analysis showed that third party funds and liquidity (LDR) have a significant effect on profitability (ROA) either simultaneously or partially indicated by the level of significance greater than 5%.

Keywords: ***Third party funds, liquidity and profitability***