ABSTRACT

EFFECT OF NET INTEREST MARGIN (NIM) AND QUALITY OF EARNING ASSETS (KAP) TO PROFITABILITY RETURN ON ASSETS (ROA) 4 BANKS IN FOREIGN EXCHANGE LISTED IN INDONESIA STOCK EXCHANGE (IDX) PERIOD 2010-2014

Ila Milani Fatmawati

Under the guidance of Linna Ismawati SE., M.Si

This research was conducted in four foreign exchange banks listed on the Indonesia Stock Exchange (BEI). The purpose of this study is to determine how much influence the Net Interest Margin (NIM) and Earning Assets Quality (KAP) partially and simultaneously to Profitability as measured by return on assets (ROA).

The method used in this research in descriptive method verification with quantitative approach. Sample used in this research is the quarterly annual financial statements for 2010-2014 as many as 80 samples. The test statistic used is multiple linear regression analysis, asumsiklasik test, correlation coefficient analysis, coefficient of determination, and hypothesis testing using SPSS 16.0 for Windows.

Analiis results showed that the Net Interest Margin (NIM) positive effect on return on assets (ROA) and Akiva Quality (KAP) Negative effect on Return On Assets (ROA).

Keywords: Net Interest Margin (NIM), Assets Quality (KAP) and Return on Assets (ROA)